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PROGRAMME AND BUDGETS, 1994-1995*

Proposals of the Director-General

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Abbreviations

ACABQ	Advisory Committee on Administrative and Budgetary Questions
ACC	Administrative Committee on Coordination
ACCIS	Advisory Committee for the Coordination of Information Systems
AGFUND	Arab Gulf Programme for United Nations Development Organizations
AIDMO	Arab Industrial Development and Mining Organization
AMU	Arab Maghreb Union
AOS	administrative and operational services
APB	Appointment and Promotion Board
APC	Appointment and Promotion Committee
APCTT	Asian and Pacific Centre for Transfer of Technology
APCC	Asian and Pacific Coconut Community
ARCT	African Regional Centre for Technology
ASEAN	Association of South-East Asian Nations
ASM	Materials Information Society
ASTIS	ASEAN Technological Information Exchange System
BOD	biological oxygen demand
BOT	build-operate-transfer
CAD	computer-aided design
CAE	computer-aided engineering
CAM	computer-aided manufacturing
CIM	computer-integrated manufacturing
CAF	Andean Development Corporation
CARICOM	Caribbean Community
CCAQ	Consultative Committee on Administrative Questions
CCAQ (PER)	Consultative Committee on Administrative Questions (Personnel and General Administrativ Questions)
CCSQ (OPS)	Consultative Committee on Substantive Questions (Operational Activities)
CDP	Committee for Development Planning
CDI ACP-EC	Centre for Development of Industry of the African, Caribbean and Pacific Group of State and the European Community
CFC	chlorofluorocarbon
CMEA	Council for Mutual Economic Assistance
COD	chemical oxygen demand
COMFAR	UNIDO Computer Model for Feasibility Analysis and Reporting
COSERA	Consultative Group on Solar Energy Research and Application
DA	Department of Administration
DTT	development and transfer of technology
EARN	European Academic Research Network
EBRD	European Bank for Reconstruction and Development
EC	European Community
ECA	Economic Commission for Africa
ECCAS	Economic Community of Central African States
ECDC	economic cooperation among developing countries
ECE	Economic Commission for Europe
ECLAC	Economic Commission for Latin America and the Caribbean
ECOWAS	Economic Community of West African States
EDP	electronic data-processing
EMC	Executive Management Committee
EPL	Department of External Relations, Public Information, Language and Documentation Servic
ESCAP	Economic and Social Commission for Asia and the Pacific
ESCWA	Economic and Social Commission for Western Asia
ESID	ecologically sustainable industrial development

Abbreviations (continued)

FAO	Food and Agriculture Organization of the United Nations
FIS	fisheries industrial system
FMTC	Financial Management of Technical Cooperation
FRAC	Field Representation Advisory Committee
GATT	General Agreement on Tariffs and Trade
GCC	Cooperation Council for the Arab States of the Gulf
GEF	Global Environment Facility
GIFAP	International Group of National Associations of Manufacturers of Agrochemical Products
GMO	GMO Management- und EDV-Organisationsberatung Gesellschaft m.b.H.
GS	General Service
Habitat	United Nations Centre for Human Settlements
HRD	human resource development
IAEA	International Atomic Energy Agency
IAKW	Internationales Amtssitz- und Konferenzzentrum Wien AG
IAPSO	Inter-Agency Procurement Services Office
ICAITI	Central American Research Institute for Industry
ICC	International Computing Centre
ICDC	industrial cooperation among developing countries
ICGEB	International Centre for Genetic Engineering and Biotechnology
ICSC	International Civil Service Commission
ICSTI	International Centre for Scientific and Technical Information
IDB	Industrial Development Board
IDDA	Industrial Development Decade for Africa
IDF	Industrial Development Fund
IISI	International Iron and Steel Institute
ILAFA	Latin American Iron and Steel Institute
ILO	International Labour Organisation
IMF	International Monetary Fund
INDIS	Industrial Information System
INECA	Industrial Energy Conservation Abstracts
INPRIS	Investment Promotion Resources Information System
INRES	Information Referral System
INTERMAN	International Management Development Network
INTIB	Industrial and Technological Information Bank
INTIBNET	INTIB Network
IO	Department of Industrial Operations
IPCS	International Programme for Chemical Safety (WHO)
IPCT	Department for Industrial Promotion, Consultations and Technology
IPF	indicative planning figure
IPS	Investment Promotion Service
ITC	International Trade Centre of UNCTAD/GATT
ITIEM	International Technological Information Exchange Mechanism
ITTO	International Tropical Timber Organization
ITU	International Telecommunication Union
JAB	Joint Appeals Board
JAC	Joint Advisory Committee
JDC	Joint Disciplinary Committee
JIU	Joint Inspection Unit
JPO	Junior Professional Officer
JUNAC	Cartagena Agreement

Abbreviations (continued)

LDC	least developed country
LES	Licensing Executives Society International
LFA	logical framework approach
LT	Language Teacher
MW	Manual Worker
NATCAPs	National Technical Cooperation Assessment and Programmes
NGO	non-governmental organization
NISP	National Industrial Statistics Programme
OAU	Organization of African Unity
OB	operational budget
OECD	Organisation for Economic Cooperation and Development
OHRM	Office of Human Resources Management
OOPP	objectives-oriented project planning
PAD	project allotment document
PBC	Programme and Budget Committee
PC	personal computer
PDF	Project Development Facility
PIRS	project information reporting system
PMO	policy-making organ
PPD	Department for Programme and Project Development
PRAS	Project Personnel Recruitment and Administrative Service
PPRC	Programme and Project Review Committee
PROPSPIN	Project Profile Screening and Pre-Appraisal Information System
PTA	Preferential Trade Area for Eastern and Southern African States
RB	regular budget
REMLAC	Regional Programme Co-operation in Informatics and Microelectronics in Latin America and the Caribbean
R and D	research and development
RP	regular programme of technical cooperation
SAARC	South Asian Association for Regional Cooperation
SADCC	Southern African Development Coordination Conference
SAIT	Andean Technological Information System
SEAISI	South-East Asia Iron and Steel Institute
SELA	Latin American Economic System
SIDA	Swedish International Development Authority
SIECA	Permanent Secretariat of the General Treaty on Central American Economic Integration
SIS	Special Industrial Services programme
SMI	small- and medium-scale industries
SNPA	Substantial New Programme of Action for the 1980s for the Least Developed Countries
SPC	South Pacific Commission
STAS	short-term technical advisory services
TA	technical assistance
TARFO	United Nations Technical Assistance Recruitment and Fellowship Office
TC	technical cooperation
TCDC	technical cooperation among developing countries
TECHMARTS	technology markets
TF	trust funds
TIES	Technological Information Exchange System
TSS-1	technical support services at the programme level
TSS-2	technical support services at the project level

Abbreviations (continued)

UCD	UNIDO Country Director
UNCTAD	United Nations Conference on Trade and Development
UNCSTD	United Nations Centre for Science and Technology for Development
UNDCP	United Nations Drug Control Programme
UNDESD	United Nations Department for Development Support and Management Services
UNDP	United Nations Development Programme
UNDTCD	United Nations Department of Technical Cooperation for Development
UNEP	United Nations Environment Programme
UNESCO	United Nations Educational, Scientific and Cultural Organization
UNFDAC	United Nations Fund for Drug Abuse Control
UNFSTD	United Nations Fund for Science and Technology and Development
UNITAR	United Nations Institute for Training and Research
UNJSPB	United Nations Joint Staff Pension Board
UNJSPF	United Nations Joint Staff Pension Fund
UNOV	United Nations Office at Vienna
UNPAAERD	United Nations Programme of Action for African Economic Recovery and Development 1986-1990
UNRWA	United Nations Relief and Works Agency for Palestine Refugees in the Near East
VAT	value added tax
VIC	Vienna International Centre
WAEC	West African Economic Community
WHO	World Health Organization
WIPO	World Intellectual Property Organization
WMO	World Meteorological Organization
wy/ms	work-years/months

GLOSSARY OF TERMS

Terms used in the major programme/programme/subprogramme narratives

Major programme is generally equivalent to a Department. The term has also been used to describe the general management of the Organization, the common programmes comprising two cross-organizational programmes and the Vienna International Centre (VIC)-related Services major programme.

Programme is generally equivalent to a division and in the instances cited above has been used to describe the Office of the Director-General, the two cross-organizational programmes Regular Programme of Technical Cooperation and Industrial Development Decade for Africa and the programmes for Buildings Management Services and other services provided to UNIDO.

Subprogramme is equivalent to a Branch, Section or Unit.

Headings used in the summaries in major programme/programme/subprogramme narratives

Consultants relates exclusively to consultants other than firms of consultants providing contractual services such as external translation, external printing and binding, public information and external data-processing.

Meetings refers exclusively to the cost of participant travel and per diem for meetings.

Other covers contractual services, general operating expenses, supplies and materials, acquisition of furniture and equipment, EDP non-staff costs as well as contributions to joint activities and services with the IAEA, United Nations and other UN bodies. Regular Programme of Technical Cooperation estimates are also shown under other.

Staff is expressed in work-years (wy) and work-months (wm) and includes temporary assistance and overtime.

Staff cost includes costs of established staff posts, temporary assistance and overtime as well as common staff costs.

Travel covers travel and per diem of staff and representatives of national bodies to meetings or on other business.

Terms used in the introduction tables and annexes

Assessment - Amounts payable by Member States to finance appropriations net of incomes in accordance with an approved scale.

Major objects of expenditure - Grouping of objects of expenditure under major category codes based on ACC classifications as modified to take account of the specific requirements of Member States, i.e. EDP non-staff costs and RPTC (see annex K).

Miscellaneous income - Includes interest earned on deposits, net income from the sale of publications and other income items but excludes cost reimbursement income for the provision of services.

Net resource requirements - Net estimates after deduction of cost reimbursement and miscellaneous income.

Resource growth/real growth - Resource level growth (positive or negative) over the current biennium at the same constant cost levels for the two bienniums.

Revaluation refers to the restatement of the 1992 portion of the 1992-1993 approved budgets at 1993 rates and includes adjustments due to cost or income changes experienced in the current biennium.

Explanatory note

1. With the exception of minor amendments, the text of these budget proposals is the same as the one presented to Member States at the end of 1992 in keeping with Programme and Budget Committee conclusion 1991/6.

2. The text was the subject of discussion at briefings held with regional groups in the period from 25 January to 2 February 1993. Those briefings marked the first stage in a process of consultation with Member States. At those briefings, attention focused on a broad range of budgetary issues including: the impact on assessed contributions of the impending withdrawal of Canada; the increase in individual Member States' assessed contributions; the computation of inflation and other cost increases; the regular budget "subsidy" on technical cooperation activities funded from trust funds or the Industrial Development Fund; technical cooperation delivery and support cost income estimates; and the vacancy factor and its impact on the activities of the Organization. Programming issues related to the need for the reduction or relocation of programmes and appropriate programmatic focus in the wake of restructuring and a diminishing resource base. They also related to: the merger of major programmes such as policy-making organs and external relations, languages and documentation and public information; the amplification of field representation and coordination; strengthening certain area programmes, and the allocation of resources to subprogrammes in such matters as industrial cooperation and funds mobilization, programme and project appraisal and economic cooperation among developing countries.

3. At the time of finalizing the document in order to meet the deadline for the submission of pre-session documentation, the consultation process was still in motion. This consideration together with the fact that, upon taking up office, the new Director-General might wish to introduce changes to programme content and organizational structure make it all the more apposite that the current text be kept in its unchanged form at this juncture. Moreover, a document will be presented to the Programme and Budget Committee at its ninth session on the implications of the withdrawal of Canada that will present options and proposals on this issue.

4. The Secretariat acknowledges with appreciation the valuable and constructive discussion to date and looks forward to a continuation of the dialogue with Member States. At a later stage, the budget proposals will be modified in accordance with guidance from the Programme and Budget Committee and the Industrial Development Board.

Preface

1. In accordance with paragraph 3 of Article 14 of the Constitution of the United Nations Industrial Development Organization, I have the honour to submit to the Industrial Development Board through the Programme and Budget Committee a draft programme of work for the fiscal period 1 January 1994 to 31 December 1995, together with the corresponding estimates for the activities to be financed from the regular budget. At the same time, I submit herewith proposals and financial estimates for the activities to be financed from the operational budget resources of the Organization. They are submitted in the new format approved by the Industrial Development Board at its seventh session (IDB.7/Dec.11) and used in the presentation of the programme and budgets for the biennium 1992–1993 (GC.4/42).

2. This submission has been governed by a number of programming and budgetary parameters that are summarized in the introduction. The draft programme of work takes full account of the priorities set in the medium-term plan and other components specified in subparagraphs 4 (a)–(f) in General Conference resolution GC.3/Res.21, as well as of new concepts and approaches for cooperation in industrial development in conformity with Article 2 (c) of the Constitution and in line with General Conference resolution GC.4/Res.19, paragraphs 1 and 4. The financial estimates adhere to zero real growth in the regular budget (IDB.10/Dec.7) while maintaining a clear separation of the regular and operational budgets (IDB.7/Dec.11). In accordance with the recommendations of the External Auditor (IDB.10/4–PBC.8/9, paras. 79–84), the major change in the presentation of the budgetary estimates for 1994–1995 is the shift from net budgeting to gross budgeting involving the overall presentation of the income generated from services rendered to other VIC-based organizations as well as the corresponding expenditure.

3. As in the previous biennium, the programme and budgets endeavour to define the objectives and activities that the Organization should aim at in order to respond to the most pressing industrial needs of the developing countries. In the broader context, they are designed to help the Organization address major changes in the global economy as well as adapt to the significant changes in the role of executing agencies under the successor arrangements drawn up by UNDP for agency support costs.

4. The overall objective is to strengthen the policy advisory role of the Organization and its technical focus while keeping to a necessary minimum its involvement in providing administrative services since the environment in which UNIDO delivers its technical cooperation programmes and projects has undergone significant changes in the wake of the UNDP successor arrangements.

5. In the area of industrial operations, a greater need for in-house expertise will arise as the Organization is increasingly called upon to provide technical advisory services to Governments and UNDP, while continuing to provide project management and administration services mainly for non-UNDP funded projects. This will call for a reorientation of the major programme's activities and greater efficiency in the use of its resources since its work will increasingly be knowledge-intensive as opposed to providing administrative services in support of technical cooperation in the traditional sense. This shift in emphasis is reflected in the reduced level of resources devoted to equipment procurement, contracts and project personnel recruitment throughout the Organization.

6. In the area of programme and project development, the new thrust places greater emphasis on the development of country strategies for the operational activities of UNIDO and their translation into coordinated programming frameworks, encompassing technical cooperation, industrial investment promotion, policy-oriented studies and research, and statistical data and information. This accounts for the increased importance given in that major programme to basic economic analyses, country-focused programming, identification of demand for financing UNIDO services and monitoring their delivery.

7. In the field of industrial promotion, consultations and technology, the focus is on consolidating pre-investment studies and investment promotion in one programme while devoting more attention to enhanced networking between investment offices, centres and focal points and to undertaking intensive follow-up of investment projects promoted. In the System of Consultations resources are for the most part allocated to those sectors in which Consultations will be held during the biennium, thus maximizing the impact of the limited resource base. In the field of technology development and promotion, separate segments of the programme base have been merged and particular emphasis has been placed on addressing the changes in international technology transfer negotiating practices and the development of technology policies.

8. Within the constraints of zero growth, an effective organizational response cannot be achieved without taking measures to secure economies and increase the efficiency of UNIDO activities. Clear financial allocations have been made to the priorities set in the medium-term plan. The regular budget estimates for 1994–1995 show zero real growth when compared to the 1992–1993 budget at 1993 rates. Growth in the operational budget is negative: -23.2 per cent or $11,943,700 at 1993 rates, assuming an anticipated technical cooperation delivery of $282,800,000 in the two-year period. The totality of resources required are $206,215,700 under the regular budget and $43,876,600 under the operational budget. The zero real growth in the regular budget and the 23.2 per cent reduction in the operational budget translate into a decrease of 5 per cent in the overall real value of resources between the 1992–1993 and 1994–1995 bienniums. The introduction and tables below give details of the volume and specific features of the programme and budgets.

9. Development cooperation policies are changing apace in the wake of decisions taken by donor and recipient countries alike, with the latter becoming the main agents in such cooperation. The successor arrangements reflect the new regime of cooperation and have reinforced the process of structural and procedural reform throughout the system. The programme and budget proposals for 1994–1995 mark a major step in the continuing process of reform in UNIDO – a step crucial to maintaining the relevance and responsiveness of the Organization to its goal of promoting and accelerating the industrial development of the developing countries.

INTRODUCTION

1. In keeping with the objectives and functions of UNIDO, the programme and budget proposals for 1994-1995 seek to respond to the industrial needs of Member States as expressed in the Constitution of UNIDO and the resolutions and conclusions of its legislative bodies. Those legal mandates formed the basis for drawing up specific parameters governing the programme of work and budget estimates for the period 1994-1995.

I. PROGRAMMING PARAMETERS

2. The endeavours to respond to the needs of Member States, in particular the priority needs identified in the medium-term plan, have been undertaken with due consideration for global economic trends and the changing role of the Organization in the light of those trends, the reform process in the United Nations system and the new system of tripartite cooperation between Governments, UNDP and UNIDO.

3. The current global economic trends have been addressed in the introduction to the medium-term plan. The plan points to the prospects of slow economic growth and recession. At the time of drawing up the programme budgets, the slow rate of global economic growth had been insufficient to accommodate the long overdue structural adjustment of the world economy. It was difficult to envisage when the world would be able to overcome the major divergences between the policies of different countries. Furthermore, increasing variations in the performance of the different regions and subregions underscored the increasing fragmentation of the world economy. It was recognized that two systemic challenges had to be addressed before steady growth of the world economy could be ensured. First, the basic deflationary bias inherent in the current arrangements for reconciling differences in macroeconomic policies between major industrialized countries has to be removed. Secondly, international capital flows have to be redirected more towards exploiting the world's current production opportunities and away from a narrow focus on paper assets and currency transactions. If this can be done, some productive investment will flow automatically to developing countries.

4. Developments in Eastern and Central Europe will also have a major impact on investment, financial flows and official development aid. Another issue for developing countries is that the trend towards an integrated global industrial economy is leading to even fiercer competition where only the fittest enterprises will survive. Moreover, this intensified global competition could widen interregional and inter-country disparities in income, industrial capacity and technology in the next decade, thus posing a major challenge to the international community.

5. Other complex factors have contributed to the uncertainty of the developing countries' position in the shifting international division of labour in recent years. The external debt problem will continue to affect adversely the net flow of investment resources to most developing countries. Primary commodity prices will be unlikely to rise to a level that will generate proceeds enough to provide major investable resources for industry. Many developing countries will have to continue their endeavours to redress external disequilibria under aggravated domestic socio-economic conditions. There might be severe limitations on the possibility of relying further on markets in the North for widening their industrial base through cheap labour-based, standardized export products. Although the dramatic rate of technological change in developed countries, if accompanied by an increased flow of technology and investment, can benefit the technological development of the developing countries, it will none the less pose a continual challenge to the latter's industrialization efforts and to their industrial and economic relations with the former. The rapid shifts in the global structure of both industrial production and trade will further add to the vulnerability of industry in technologically underequipped developing countries. This holds particularly true for current efforts to address global environmental challenges.

6. All these factors will continue to impinge upon the ability of many developing countries to pursue their long-term development goals and point up the need to seek concrete, realistic solutions to the complex problems of industrial development. At the UNIDO Conference on Ecologically Sustainable Industrial Development held at Copenhagen, Denmark, in October 1991 and the United Nations Conference on Environment and Development held at Rio de Janeiro, Brazil, attempts were made to agree on a sustainable future course of development that would reconcile the growing development requirements of the world's population with the conservation of the environmental resources on which they are based. The mandate entrusted to UNIDO to promote ecologically sustainable industrial development constitutes an essential component of the response by the United Nations to the global challenge presented in Agenda 21. Thus the endeavours of UNIDO to incorporate the environmental dimension of industrial development more deeply into its advisory, research, operational and investment-related activities serve to reinforce the aims and objectives of Agenda 21.

7. The current decade demands more innovative approaches to international cooperation so as to bring about a broader and more resilient industrial base in the developing countries that can withstand recurrent turbulence in the international economic environment and achieve greater harmony with their basic resource endowments. Industrialization is a long-term process of structural transformation. UNIDO is committed to promoting that long-term process by focusing its assistance on the most important problem areas and on the neediest members of the world community, and stimulating concerted efforts to the same effect throughout the world.

8. The changed role of an executing agency under the successor arrangements drawn up by UNDP for agency support costs and national execution already made itself felt in the biennium 1992-1993. With the new connotation attached to such terms as "project execution" and "project implementation" and the replacement of the 13 per cent cost reimbursement system, an integral part of any future project design will be the

determination of the tasks to be performed by the technical agency or agencies and the manner in which it or they will be reimbursed for the performance of those tasks.

9. At the programme level the agencies will be concerned with providing sectoral analysis and policy advice, supporting aid coordination and designing integrated programmes. At the project level, their technical support will focus on project design, appraisal and execution as well as implementation, further to which they lend technical support to implementing and executing agents and undertake technical monitoring and backstopping.

10. In future, no service will be provided automatically by agencies, nor will agencies have an automatic claim on UNDP resources. The market situation has changed drastically with the result that agencies must be competitive and able to provide services that offer a comparative advantage. UNDP and Governments alike are seeking optimum services at minimum cost.

11. In preparing the programme and budget proposals, it has been anticipated that on the whole the demand for traditional administrative inputs from UNDP financed projects is expected to decline as Governments take over those activities (see section on operational budget below). On the other hand, it is expected that the demand for technical inputs from agencies such as UNIDO will increase. For that purpose, UNDP specifically established the TSS-1 and TSS-2 modalities for the reimbursement of support costs for technical support services at the programme and project levels. It is expected that those services will be implemented at a higher rate in the biennium 1994-1995. This, however, will only happen if UNIDO can convince Governments and UNDP that the services it can offer are of high quality and cannot easily be obtained elsewhere at lower cost. This means that UNIDO will have to strive persistently to maintain its technical edge and enhance the quality and relevance of its industry-related activities in order to compete better. One major aspect of this competitive advantage is the Organization's ability to provide a complete package of integrated support services to those that need it, combining policy advice, technical cooperation, investment promotion and technological and techno-economic information. The Organization will thus have to focus on specific characteristics of competitiveness such as developing a flexible response to clients' needs and constantly improving the quality of performance in areas in which it has, or can acquire, a comparative advantage relative to other agencies. The Organization will also have to sharpen its own programming capabilities so as to attract both IPF and non-IPF financing for its programmes and projects. The proposals put forward for the biennium 1994-1995 represent a step in that direction.

12. The outputs and activities of the programmes and subprogrammes drawn up for the period 1994-1995 are designed to make an identifiable contribution to the priorities set out in the draft medium-term plan for the period 1994-1999 (IDB.10/5-PBC.8/10). In preparing that document, the Secretariat first drew up a series of programme frameworks, similar in structure to the UNIDO environment programme (document IDB.6/3), for each of the five priority areas (human resource development, development and transfer of technology, industrial rehabilitation and modernization, small- and medium-scale industries, and environment and energy) and the three common themes (mobilization of financial resources for industrial development, economic cooperation among developing countries and subregional industrial cooperation, and integration of women in industrial development). The frameworks were the outcome of a deliberative and participatory process to review and update the main programmes of the Organization for the medium-term plan period. The thematic programme frameworks, on which agreement was reached at the senior UNIDO management programme planning seminar held in February 1992, were drawn up with the aim of generating extrabudgetary resources and translating the priorities into operational activities. The programme frameworks thus identified specific outputs and activities under various subprogrammes which have been duly reflected in the programme and budget proposals for 1994-1995. The allocation of resources to the above priority areas is summarized in the table below. Further details are given in tables 6 and 7.

Priority areas	Dollars
1. Human resource development	13,861,600
2. Development and transfer of technology	20,023,300
3. Industrial rehabilitation	13,128,700
4. Small- and medium-scale industries	13,185,700
5. Environment and energy	14,561,200
Subtotal	74,760,500
Common themes	
6. Mobilization of financial resources for industrial development	9,308,500
7. ECDC and subregional industrial cooperation	9,931,100
8. Integration of women in industrial development	8,119,600
Subtotal	27,359,200
Total	102,119,700

13. As in the previous biennium and in keeping with resolution GC.3/Res.21, special consideration has been given to:

(a) The comprehensive policy framework of human resources development and the environmental programme resubmitted to the Industrial Development Board;

(b) Improving regional cooperation in the development and transfer of technology, especially through the establishment and improvement in the developing countries of national scientific and technological development institutions oriented towards industrialization;

(c) Promoting effective cooperation between regional and subregional institutions in the area of small- and medium-scale industries;

(d) Identifying regional and subregional industrial development projects and the sources for their financing with regard to the mobilization of financial resources for industrial development;

(e) Defining and identifying possible effective alternatives for regional and subregional cooperation in respect of economic cooperation among developing countries;

(f) Including pilot and demonstration plants among the means of accelerating industrialization in particular sectors, in conformity with Article 2 (m) of the Constitution.

14. Due consideration has also been given to resolution GC.4/Res.19 on new concepts and approaches for cooperation in industrial development in conformity with Article 2 (c) of the Constitution, in which the Director-General was requested to translate the approved new concepts and approaches into priorities in the medium-term plan. Those new concepts encompassed the application of new materials, strategic management of industrial policies, elaboration of technological and institutional policies at the micro-economic level and new types of industrial cooperation for the mobilization of financial resources for developing countries. In that resolution, UNIDO was urged to pay particular attention to:

(a) Enhancing the role of indigenous agents of production from both the private and the public and cooperative sectors;

(b) Developing domestic factor inputs for industry and other economic sectors;

(c) Strengthening capacities for the identification, preparation, negotiation and implementation of industrial projects;

(d) Improving the nature of contractual relationships between developed and developing countries with respect to such aspects as training, profitability of industrial units and quality of manufactured goods;

(e) Narrowing the technological gap between developed and developing countries;

(f) Increasing and enhancing the responsiveness of UNIDO to specific problems and challenges in the industrial sectors of the developing countries;

(g) Strengthening capacities for the preparation of action-oriented studies and implementation of subregional and regional industrial projects.

15. Full cognizance has also been taken of resolution GC.4/Res.8, in which the Director-General was requested to ensure that in implementing the medium-term plan (and the programme and budget represents the operationalization of the medium-term plan), account be taken of both the Second IDDA and Africa's efforts to promote subregional and regional economic integration and cooperation and to enhance the capacity of UNIDO to assist African countries upon request in the following activities:

(a) Industrial planning and setting up of institutional support;

(b) Project identification, preparation, implementation and monitoring;

(c) Preparation, evaluation and negotiation of specifications, bids and contracts;

(d) Production, marketing and distribution in relation to key consumer, intermediate and capital goods, especially in the subregional and regional context;

(e) Procurement and adaptation of technology, plant management and consultancy services.

16. In addition to meeting the objectives of the medium-term plan, particular emphasis was placed on proposing programmes that:

(a) Enhance operational efficiencies;

(b) Benefit more than one country or region;

(c) Encourage cooperation and eliminate duplication of efforts between different sections, branches, divisions and departments;

(d) Identify ways and means of increasing the mobilization of financial resources for industrial development;

(e) Achieve well defined and measurable benefits over the short and medium term for the Member States it serves;

(f) Ensure an effective response to the resolutions and decisions of the legislative bodies not only in respect of the priorities set in the medium term, but in all other aspects such as the various regional programmes;

(g) Accommodate the changes arising out of the UNDP successor arrangements;

(h) Adopt an integrated programme approach; and

(i) Establish the most appropriate mix of activities encompassing normative, policy support and consultancy activities.

17. In summary, observance of the programming criteria should yield a programme of work that reflects the Organization's endeavours to specialize in a narrower range of services where it has a clear technical advantage. As described earlier, those include policy advice, sectoral analysis, programme development, capacity building and technical advisory services in those subsectors of industry where Member States require assistance and in which UNIDO has the requisite expertise. At the same time, particular emphasis is placed on the quality of the services provided. This will be achieved by continued reform of the organizational and staff structure, the improvement of the present programme and project management systems, and a focus on integrated programmes. This in turn will call for improved methods, tools and concepts related to project design and development and the continuous upgrading of staff skills and greater reliance on team work.

18. Matching the qualitative improvement of the Organization's services will be the enhancement of its cost competitiveness and shortening the response time for those services. At the same time, every endeavour will be made to mobilize additional extrabudgetary resources. This will be achieved not only by improving the quality of outputs, but also by streamlining procedures, thus facilitating coordination with outside sources of funding. In that context, efforts will continue towards securing more pledges to finance specific subprogrammes that address the priorities of the medium-term plan as well as ensuring greater complementarity of the various sources of funding - regular budget, UNDP, Industrial Development Fund and trust funds.

19. Programme proposals were also formulated that support the objectives of the International Development Strategy for the Fourth Development Decade. They also reflect an awareness of related activities in other parts of the United Nations system.

20. In keeping with the request made by the General Conference in resolution GC.4/Res.2, every attempt has been made to present clear and precise descriptions of output and activities. At the same time, emphasis was placed on ensuring programmatic coordination and cohesion, as well as mutual consistency, eliminating duplication and securing a sequential response to various stages of the programme and project cycle. In that context, particular attention was paid to the provision of efficient administrative and other support services aimed at maximum cost effectiveness through simplified procedures, increased productivity and the elimination/reduction of non-essential services.

21. Moreover, every effort has been made to ensure that regular budget resources cover administration, research and other regular expenses of the Organization, including programme support costs arising from technical assistance projects which are not fully covered by the source of financing of such projects. Similar efforts have been made to ensure that operational budget resources have been programmed to finance the cost of delivering technical cooperation projects. These basic criteria governed the distribution of staff resources between the regular and operational budgets. In addition, due regard has been given to the need to adhere to zero real growth in the regular budget and to maintain the capacity of the Organization to deliver its programmes.

Cooperation with the United Nations agencies and organizations

22. The Director-General intends to implement the programme in close consultation and cooperation with the other agencies and organizations in the United Nations system. Consequently, whenever possible, the subprogramme descriptions identify those instances where such consultation and cooperation can be foreseen. No doubt cooperation will in practice extend beyond those activities for which such joint efforts can already be envisaged at this stage. In any event, in accordance with established inter-agency procedures for prior consultations, the Director-General has transmitted the programme and budget proposals to the executive heads of the other organizations and agencies and sought their views. He will provide the Programme and Budget Committee and Industrial Development Board with information on any observations that he may receive.

II. BUDGETARY PARAMETERS - REGULAR BUDGET

Summary of resource requirements

23. The regular budget estimates for the biennium 1994-1995 amount to a net figure of $206,215,700 which comprises gross expenditures of $242,160,400 and income (including cost reimbursement) of $35,944,700.

The estimates are presented at an exchange rate of US$ 1 = AS 12.90 to permit comparison with the 1992-1993 budgets which were approved at that exchange rate. The regular budget estimates for 1994-1995 reflect a rate of zero real growth over the previous biennium in accordance with decision IDB.10/Dec.7. The increase in the net budgetary estimates over the 1992-1993 biennium results from the revaluation of the budget base and the provision of resources to cover inflation and other cost increases anticipated for the 1994-1995 biennium.

24. A comparison of the approved budget for 1992-1993 and the regular budget proposed for the biennium 1994-1995 is shown in the table below. The figures are cited for expenditures (gross), income and net (expenditures less income).

Regular budget: comparison of 1992-1993 with 1994-1995
(In thousands of dollars at US$ 1 = AS 12.90)

	Expenditures	Income	Net
Regular budget for 1992-1993 as approved in GC.4/Res.27 at 1992-1993 rates (net amount approved)	214,395.5	35,132.7	179,262.8
Add:			
Revaluation to 1993 rates	5,044.6	(853.0)	5,897.6
Revalued base at 1993 rates	219,440.1	34,279.7	185,160.4
Deduct:			
Resource growth (negative) at 1993 rates	(667.8)	(667.8)	-
Resource requirements at 1993 rates	218,772.3	33,611.9	185,160.4
Add:			
Expected inflation and other cost increases in 1994-1995	23,388.1	2,332.8	21,055.3
Proposed regular budget for 1994-1995	242,160.4	35,944.7	206,215.7

The development of the 1994-1995 regular budget proposals is explained in the paragraphs below, in particular paragraphs 31 to 40.

25. Although the regular budget does not contain resource growth for UNIDO as a whole there are changes in the level of resources allocated to individual major programmes. The real resource growth (positive and negative) by major programme is shown below. The figures under the net column in parenthesis represent negative resource growth.

Real resource increase (decrease) by major programme
(In thousands of dollars)

	Real growth		
	Expenditures	Income	Net
Policy-making Organs, External Relations, Public Information, Languages and Documentation Services	350.0	(103.7)	453.7
General Management	(109.5)	-	(109.5)
Programme and Project Development	-	-	-
Industrial Promotion, Consultations and Technology	87.1	-	87.1
Industrial Operations	118.8	-	118.8
Common Programmes			
Regular Programme of Technical Cooperation	-	-	-
Industrial Development Decade for Africa	-	-	-
VIC-related Services	-	-	-
Administration	(1,114.2)	(584.2)	(530.0)
Miscellaneous Income	-	20.1	(20.1)
Total resource growth (negative)	(667.8)	(667.8)	-
	=========	=======	=======

26. The substantive major programmes Industrial Operations and Industrial Promotion, Consultations and Technology show modest resource growth resulting from the redeployment of some resources from Administration and the major programme General Management. The net increase in resource levels in the major programme Policy-making Organs, External Relations, Public Information, Languages and Documentation Services reflects the need to secure funds for the provision of support services to meetings and the documentation requirements of the Organization.

27. The resource requirements described throughout this document and the amounts indicated in the summary tables at the major programme, programme and subprogramme levels are cited at the revalued base rate (1993 rates) adjusted for resource growth either positive or negative. The presentation of resource requirements at the revalued base is consistent with all previous biennial budgets of the Organization.

Budget presentation and methodology

Reconfiguration of major programme presentation

28. The programme and budget proposals for 1994-1995 include the merger of two major programmes - Policy-making Organs and External Relations, Public Information, Language and Documentation Services. This merger has been governed by the desire to rationalize structure and secure a cohesive programmatic entity. It encompasses in a unified whole the work of the Policy-making Organs (programme 100) which draw to a large measure on the services provided by two other adjunct programmes (programme 130 and 140). The first programme, External Relations, focuses on maintaining general relations with Governments, intergovernmental organizations and other agencies in the United Nations system, and the second programme, Language and Documentation, provides translation, editorial control and documentation services to the meetings of the policy-making organs. At the same time, a fourth programme (programme 150), aims at projecting a more pronounced public image of the work of the legislative bodies through a vigorous public relations, information and press programme. Given this close interlinkage between the constituent programmes, the major programme has been presented in its new combined form.

29. The programme and budget proposals also include the presentation of major programme 800, Administration, in two separate major programmes - major programme 700, VIC-related Services, and major programme 800, Administration. In the interest of transparency, the costs of maintaining the VIC complex which is administered by UNIDO plus the costs of some common services provided by other Vienna-based organizations are shown separately as major programme 700, VIC-related Services. Major programme 800 includes all the programme components of the Department of Administration (Personnel Services, Financial Services, General Services and Management Information Services) excluding the cost of Buildings Management and common services relating to joint medical, library and security services. The main reason for this presentation is to show Member States the costs of administering UNIDO separately from the costs of maintaining the VIC complex, a function which UNIDO has assumed in accordance with the memorandum of understanding on common services among the Vienna-based organizations.

30. The resource levels of the major programmes, in particular 400, Industrial Promotion, Consultations and Technology, and 500, Industrial Operations, reflect the redeployment of resources due to the implementation of a number of organizational changes as described in Director-General's Bulletin UNIDO/DG/B.157.

Budget methodology

31. The methodology used in the preparation of the 1994-1995 budget proposals is consistent with that used since UNIDO became a specialized agency in 1986 and follows that generally applied throughout the United Nations system for organizations with biennial budgets. The major change in the methodology for the presentation of the budgetary estimates for 1994-1995 is in the detailing of estimates for both expenditures and income. This differs from the 1992-1993 budget methodology which presented budgetary estimates on a net basis (expenditures net of income). This change in the budget format was reported by the Director-General to the eighth session of the Programme and Budget Committee (IDB.10/11/Add.1-PBC.8/12/Add.1) in response to the report of the External Auditor for the period 1990-1991 (IDB.10/4-PBC.8/9). Subsequent to PBC conclusion 92/2 (e) (ii) the Director-General confirmed in his report to the Industrial Development Board (IDB.10/25) the change in presentation from a net basis to include expenditures and income in future budgetary documents. The change in the method of presentation does not in itself result in any change in resource levels or in the level of assessed contributions payable by Member States.

32. The development of the budgetary estimates begins at the budget for 1992-1993 approved by the General Conference at its fourth session in November 1991 (GC.4/Res.27). The budgetary estimates for 1994-1995 comprise three major elements which are kept under constant review and duly adjusted when so warranted. These three major elements are:

(a) Approved budget for 1992-1993 - base;
(b) Revaluation of budgetary base;
(c) Inflation and other cost increases

(a) Approved budget for 1992-1993 - base

33. The budget for 1992-1993 as contained in document GC.4/42 and Add.1 and approved by the General Conference (GC.4/Res.27) provided resources to implement the programmes of the Organization for 1992 and 1993. The budget base includes a provision for a vacancy factor (or deduction for delayed recruitment) of 5 per cent for all existing posts at the Professional and Director level. This approved budget is the starting point for the budget estimates for 1994-1995. The budget base represents a net amount of $179,262,800, which comprises expenditures of $214,395,500 and income of $35,132,700.

(b) Revaluation of the budgetary base

34. Revaluation of the base is the process which results in the expression of the approved resource requirements of the prior biennium (1992-1993) at the prices of the base year (1993). This revaluation

process ensures that a comparative analysis can be made between the future and current biennium. In addition to the restatement of prices the revaluation process also takes account of the loss of income which cannot be offset by expenditure reductions. Such losses of income were either experienced during 1992-1993 or anticipated for 1994-1995. In this instance the revaluation process included the following adjustments.

(a) The inflation rates for 1993 included in the 1992-1993 budget were added to the 1992 portion of the approved budget in order to bring this to 1993 rates. This revaluation adjustment ensures that the resource levels prior to the adjustment for 1994-1995 inflation are at the same costs as approved for the second year of the current biennium (1993).

(b) As a result of the withdrawal of the International Atomic Energy Agency (IAEA) from the Language Training Programme managed by UNIDO, the budget base has been adjusted to account for the loss of income which could not be fully offset by a reduction in expenditures. The decision by the United Nations to assume responsibility for the financial and personnel services presently carried out on their behalf by UNIDO will result in a loss of income which can only be partially offset by reductions in expenditures. Income was also adjusted to reflect the reduced levels expected for 1992-1993 from UNOV in respect of the joint United Nations/UNIDO languages and documentation services. A further adjustment was made to reflect the expected reduction in miscellaneous income from interest on deposits in 1992-1993, resulting from the level of cash resources available to the Organization being lower than anticipated.

35. The financial details of the revaluation process are summarized in the table below:

Revaluation
(In thousands of dollars)

	Expenditures	Income	Net
Regular budget for 1992-1993 as approved in GC.4/Res.27 at 1992-1993 rates (net amount approved)	214,395.5	35,132.7	179,262.8
Revaluation adjustments:			
Recosting to 1993 cost levels (described in para 34(a))	5,044.6	917.6	4,127.0
Loss of income (described in para 34(b))			
Languages and Documentation		(563.8)	563.8
Language Training		(207.9)	207.9
Financial and Personnel Services on behalf of UNOV		(801.3)	801.3
Miscellaneous income - interest on deposits		(197.6)	197.6
Subtotal - revaluation adjustments	5,044.6	(853.0)	5,897.6
Revalued base at 1993 rates	219,440.1	34,279.7	185,160.4

36. Once the revalued base has been established the resource requirements for the new biennium are identified at the prices and rates of the base year (1993). The resource increases and decreases shown in paragraph 25 above are described under the relevant major programme, programme and subprogramme sections of the present document.

(c) Inflation and other cost increases

37. Once the resource requirements for 1994-1995 in terms of base year (1993) prices have been established, the effect of anticipated inflation and other cost increases for the years 1994 and 1995 is added. The increase in financial requirements under this heading relate to anticipated changes in the consumer price and wage index levels in Austria in 1994 and 1995 and in expected statutory changes in salaries and common staff costs for staff on established posts which the Organization is obliged to implement in full.

38. Projections have been made of salary standard costs for the biennium 1994-1995 that reflect anticipated cost increases. For Professional salaries an increase of 8.6 per cent per annum is expected comprising movements in the consumer price index, provision for in-grade increments and anticipated base salary increases. For General Service salaries an increase of 5.9 per cent per annum is anticipated. This is made up of a 3.9 per cent increase resulting from combined consumer price index and wage index movements adjusted for taxation and a provision for within-grade increments and promotions. The projections anticipate a reduction of half the language adjustment factor (from 4 per cent to 2 per cent) subsequent to the ICSC salary survey in 1995.

39. Common staff costs are estimated for 1994-1995 at 38.0 per cent of net salaries. The increase in the percentage over the 1992-1993 rate of 36.2 per cent of net salaries is mainly due to increases in Pension Fund contributions, separation payments, repatriation grants, termination indemnity, social security payments, education grants and in the level of dependency and hardship allowances.

40. The inflation rate for individual objects of expenditure (utilities, operating costs, supplies, etc.) is based on forecasts as of October 1992 of price index movements by the Austrian Institute for Economic Research. The practice introduced for the 1992-1993 budget proposals of reviewing the estimates for inflation and other cost increases prior to the General Conference will be continued to ensure that the most up-to-date information of anticipated price changes is reflected in the 1994-1995 budget proposals. The amount required to offset the effects of inflation and other cost increases is estimated at $21,055,200, representing an average compounded rate of 7.4 per cent per annum and yielding a total net resource requirement of $206,215,700.

Income

41. UNIDO receives two categories of income: (a) miscellaneous income from the sale of publications, from interest earned on deposits and other sundry items; and (b) reimbursement for services provided to other international organizations in the Vienna International Centre.

42. The budget proposals for 1994-1995 assume that the joint language and documentation services of UNOV and UNIDO as described under programme 140 will continue to be managed by UNIDO in the 1994-1995 biennium. The proposals also assume that the financial arrangements for administrative services provided to UNOV by UNIDO as described under programmes 840 and 850 will remain in place for the full biennium. Ongoing discussions are taking place between officials of UNIDO and the United Nations on the future arrangements for those joint services.

43. Details of miscellaneous income estimates are shown for presentation purposes as a separate major programme (900). Income estimates related to cost reimbursement are presented in the budget under the respective major programme providing the service.

44. A summary of the income estimates included in the budget under the designated major programme is as follows:

Summary of income estimates
(In thousands of dollars)

Type of service	Major programme	Income at 1993 rates	Inflation adjustment	Income for 1994-1995
Buildings Managment	VIC-related Services (700)	26,407.4	1,869.9	28,277.3
Languages and Documentation	Policy-making Organs (100)	3,096.7	379.1	3,475.8
Administrative services	Administration (800)	1,891.4	27.7	1,919.1
Language Training	Administration (800)	629.4	47.8	677.2
Miscellaneous Income	Miscellaneous Income (900)	1,587.0	8.3	1,595.3
		33,611.9	2,332.8	35,944.7

III. BUDGETARY PARAMETERS - OPERATIONAL BUDGET

Summary of resource requirements

45. The operational budget contained in the 1994-1995 programme and budgets comprises: (a) expected incomes from the reimbursement of programme support costs for the Organization's technical cooperation programmes and projects; (b) operational reserve balances carried over from the current biennium; and (c) the resource requirements to support the technical cooperation activities.

46. For the 1994-1995 biennium, income is estimated at $43,900,000 and expenditures (expressed at a rate of US$ 1 = AS 12.90) at $43,876,600. The reserve balance at the beginning of 1994-1995 has been estimated at $0.7 million.

Budget presentation and methodology

47. Operational budget estimates of expenditure shown in the present proposals have been based on the same criteria and assumptions used in calculating the regular budget estimates. The operational budget estimates for 1992-1993 have been subject to the same revaluation process, and Professional- and Director-level posts are costed using the standard vacancy factor of 5 per cent.

Income

48. Income to cover operational budget expenditures is derived mainly from the reimbursement of support costs pertaining to UNDP, IDF, trust fund projects and other services, as well as interest earned on deposits. For the biennium 1994-1995, total income is expected to be approximately $44 million (see tables 1(c) and 2(b)).

49. In the past, the reimbursement of support costs was directly related to the volume of projects executed, owing to the fact that support costs were calculated as a percentage (usually 13 per cent) of the value of projects involved. This method of calculation was generally applied to all sources of project funding, including UNDP. However, for UNDP financed activities, five major agencies (UNDESD, ILO, FAO, UNESCO and UNIDO) are now reimbursed according to a new regime established under the successor arrangements for agency support costs drawn up by UNDP. These comprise three modalities of reimbursement: TSS-1, TSS-2 and AOS. For the fifth UNDP programming cycle, the five agencies involved will draw on some $64 million for TSS-1 activities and up to $80 million for TSS-2 activities. For AOS activities, 10 per cent of the total IPF has been set aside and is available as an additionality to IPF for recipient countries.

50. The new regime which entered into force in January 1992 has taken longer than anticipated to establish itself. Whereas the volume of UNDP projects under the old regime has diminished as expected, the gamut of activities foreseen under the new regime has not yet materialized to offset that diminution. The loss of income might have been worse, had legislation not provided certain funding under the old regime for the transition period while some income has been generated under the TSS-1 facility.

51. Even though the income derived from TSS-2 and AOS activities is expected to increase in 1994-1995, the overall UNDP support cost income estimates have been deliberately kept at a conservative level. For technical cooperation activities funded from non-UNDP sources, the prospects for 1994-1995 under IDF point to steady growth, while trust fund and other activities are expected to increase through the identification of new donors and adoption of innovative approaches.

52. The income estimates are based on: (a) support costs derived from the value of current projects expected to continue in 1994-1995 (UNDP old regime and other funds); (b) support costs under the new UNDP arrangements; (c) expectations regarding non-UNDP projects at the planning stage or in the pipeline; and (d) general trends in the levels of technical cooperation activities expected in 1994-1995. Details relating to technical cooperation delivery and income estimates are shown in table 1(c).

53. In addition to the reimbursement of programme support costs, an estimate is included for miscellaneous income from interest on deposits anticipated during the biennium.

Expenditure

54. The total of the operational budget estimates for 1994-1995 at 1993 rates is $39,513,200 at an exchange rate of US$ 1 = AS 12.90. As the income estimates for 1994-1995 are substantially lower than those originally foreseen in GC.4/42 for 1992-1993, the resource levels for 1994-1995 have been correspondingly reduced. The reduction in the number of posts to be financed from the operational budget together with the reduced estimates for non-staff costs has resulted in negative real growth of 23.2 per cent over the previous biennium (see table 1(a)). Upon adding inflation for 1994-1995 of $4,363,400, the operational budget amounts to $43,876,600.

55. A comparison of the operational budget for 1992-1993 and that proposed for the biennium 1994-1995 is shown in the table below:

Operational budget: comparison of 1992-1993 with 1994-1995
(In thousands of dollars, at US$ 1 = AS 12.90)

Operational budget estimates for 1992-1993 as approved in GC.4/Res.27 at 1992-1993 rates	49,234.9
Add:	
Revaluation to 1993 rates	2,222.0
Revalued base at 1993 rates	51,456.9
Deduct:	
Resource growth (negative) at 1993 rates	(11,943.7)
Resource requirements at 1993 rates	39,513.2
Add:	
Expected inflation and other cost increases in 1994-1995	4,363.4
Proposed operational budget for 1994-1995	43,876.6

56. Resource growth (negative) by major programmes is shown below:

Real resource decreases by major programme
(In thousands of dollars)

	Real growth (negative)
Policy-making Organs, External Relations, Public Information, Languages and Documentation Services	(31.4)
General Management	(336.2)
Programme and Project Development	(4,975.1)
Industrial Promotion, Consultations and Technology	(1,788.4)
Industrial Operations	(3,654.7)
Administration	(1,157.9)
	(11,943.7)
Rate of resource growth (negative)	(23.2) per cent

IV. ELECTRONIC DATA-PROCESSING PROGRAMME

57. In accordance with relevant decisions and resolutions of the policy-making organs of UNIDO, the Secretariat implemented the following measures to enhance the effectiveness of the EDP programme within the limits of the resources set by Member States for the programme:

(a) An overall strategic information plan based on specific needs of the Organization has been established. The plan is now being implemented in the form of annual operational plans ("workplans") including a workplan for the biennium 1994-1995. The plan includes the development of integrated application systems for substantive areas and systems to support financial reporting and control.

(b) Cost reduction within the programme was accomplished through renegotiations with suppliers, rationalization of systems and support software, greater efficiency through a modified equipment maintenance and repair programme, and closer cooperation with other United Nations agencies.

(c) The Management Information Services Division was reorganized in line with the recommendations made by, inter alia, the Working Group of Independent Experts, the External Auditor, and other experts/consultants.

58. The evolving needs of the Organization and the growing demands of programme delivery under extremely tight budget constraints underscore the need for the expanded use of computers under a cost-effective regime. Computer use in UNIDO has in fact expanded from the traditional areas of payroll and finance to project management support, including project assessment, documentation and accounting, and thus to project modelling, planning and cost estimation. This has been made possible by the use of a central mainframe computer system which provides for the necessary support of the Organization's large databases ("corporate data"). Moreover, computing capabilities continue to be required in the area traditionally referred to as text processing which has developed into a broad spectrum of office support activities with the application of new information technology including desktop publishing, spreadsheet-based data analysis and modelling, and information presentation in graphical form for business and technical purposes.

59. The approved EDP programme will carry out the following major activities:

(a) The implementation of the information systems strategy as recommended by external consultants in 1992, which includes the expansion of the application portfolio for UNIDO's focal areas of activity: technical cooperation programming and project cycle and its administrative support functions, investment promotion and funds mobilization, financial services and the establishment and maintenance of specific information bases.

(b) The continued cabling of the building to bring the physical network structure closer to completion for the whole building.

(c) The replacement of obsolete desktop equipment and software for the Languages and Documentation Division by prior arrangement with the United Nations. This replacement programme also entails the replacement of workstations and their corresponding software and the implementation of a local area network architecture, and training with respect to the new application software and the new work environment.

(d) The current facility management may permit a revision during this biennium based on a prior review (in 1993) of the most cost-effective options over the next five years.

60. Regarding other projects within the EDP programme, but outside the scope of the MIS programme, outdated personal computer systems and their accessories will be replaced within available resources, while repair and maintenance of existing equipment will continue to be carried out.

61. Training for EDP-related areas will continue to receive emphasis. Priority will be given to application areas with an immediate demand and will include training on software from the application portfolio.

Budgetary presentation/financial estimates for 1994-1995

62. The resource requirements for the EDP programme, including staff costs of the Management Information Services Division are based on the cost estimates provided by Touche Ross Management Consultants in 1991, as contained in the 1992-1993 budget document (GC.4/42) at 1991 rates. The General Conference in decision GC.4/Dec.18 agreed to the proposed expenditures for 1992-1993 and took note of the proposed maximum expenditures for 1994-1995.

63. The total resource requirements of the EDP programme, including ongoing staff costs, are shown in the table below.

EDP net resource requirements, 1992-1993 and 1994-1995
(In thousands of dollars at 1993 rates)

Major object of expenditure	1992-93 RB	1992-93 OB	1992-93 TOTAL	1994-95 RB	1994-95 OB	1994-95 TOTAL
Staff costs	2,450.4	2,195.2	4,645.6	2,546.8	2,061.4	4,608.2
Non-staff costs	6,091.9	2,847.6	8,939.5	6,515.2	2,833.8	9,349.0
Total expenditures	8,542.3	5,042.8	13,585.1	9,062.0	4,895.2	13,957.2

64. Pursuant to Board decision IDB.8/Dec.35, paragraph (e), EDP costs have been consolidated by including training and supplies and materials. The resource requirements for the EDP programme, including the staff costs of MIS Division, for the 1994-1995 biennium are estimated at $13,957,200 at 1993 rates.

65. It should be noted that the cost of established posts in MIS Division are shown separately in programme 850. The non-staff costs of the programme are distributed to the end-user Departments according to a number of criteria as described in the following section.

Cost distribution

66. As the EDP programme provides essential services to all parts of the Organization, its costs and benefits are shared accordingly by the end-users. Using the same criteria, i.e. the mainframe server computer time usage and the distribution of desktop equipment, the overall non-staff costs of the EDP programme are apportioned among the major programmes. All MIS staff costs are being shown under programme 850, Management Information Services Division, and its subprogrammes, until such time as a suitable chargeback system covering staff resources is adopted. The further development of the chargeback system will draw on the experience of other agencies within the United Nations system, as well as on comments submitted by the team of external auditors.

67. New object of expenditure codes were introduced in 1992 to facilitate the understanding and analysis of the various cost components within the EDP programme while offering a global view of the programme's overall resource requirements. The distribution of the EDP-related non-staff costs among the end-users in major programmes is shown below.

68. The share of the Department of Administration includes significant technical cooperation support activities such as Financial Management of Technical Cooperation, Accounts and Payments, and Purchase and Contracts. It also includes EDP-related services provided to UNOV for which income is earned.

Distribution of EDP non-staff costs a/

	Share (per cent)	Amount (In thousands of dollars) 1992-1993	 1994-1995	 Increase
Policy-making Organs, External Relations, Public Information, Languages and Documentation Services (100)	8.0	721.8	750.8	29.0
General Management (200)	0.8	72.1	75.2	3.1
Programme and Project Development (300)	19.4	1,750.3	1,821.0	70.7
Industrial Promotion, Consultations and Technology (400)	6.3	568.4	591.3	22.9
Industrial Operations (500)	22.0	1,985.0	2,064.7	79.7
Administration (800)	43.5	3,924.8	4,082.6	157.8
Subtotal	100.0	9,022.4	9,385.6	363.2
Non-shared administration				
- Training		302.7	280.0	(22.7)
- Travel/meetings		-	69.0	69.0
- Income		(385.6)	(385.6)	-
TOTAL		8,939.5	9,349.0	409.5

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a/ The share is calculated using the mainframe server computer time usage and the distribution of personal computer equipment.

69. A listing of resource requirements for the entire EDP programme (including MIS) for the biennium 1994-1995 is shown below.

Resource requirements - EDP programme
(In thousands of dollars at 1993 rates)

	1992-1993	1994-1995 b/
Established posts (ongoing) a/	4,645.6	4,498.2
General temporary assistance	-	110.0
Subtotal	4,645.6	4,608.2
EDP non-staff costs		
Mainframe server		
Hardware	2,139.2	2,814.0
Software	1,455.9	1,732.0
Operation and maintenance	2,612.6	2,790.4
Workstations (incl. OA equipment)		
Hardware	585.2	419.3
Software	148.3	170.9
Maintenance	158.9	182.0
Other		
Supplies and materials	512.1	470.0
Network	448.5	527.0
External computer costs	76.6	70.0
Training	302.7	280.0
Travel/meetings	-	69.0
Consultancy support	885.1	210.0
Subtotal	9,325.1	9,734.6
Income	(385.6)	(385.6)
TOTAL	13,585.1	13,957.2

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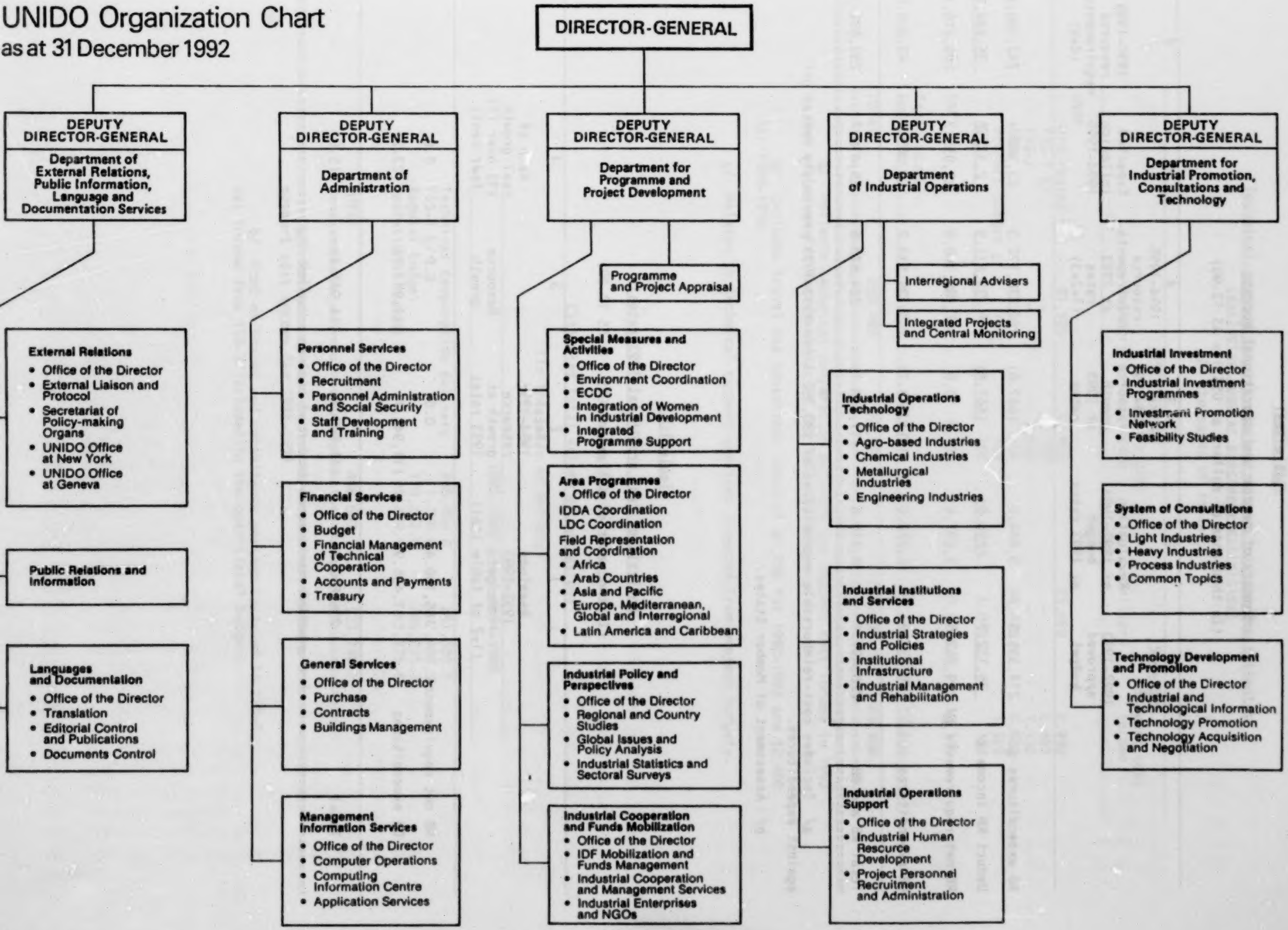
a/ In the interest of transparency, staff assigned to the end-user department as user coordinators in line with past recommendations are costed as follows: 3 P-2 ($401,400). Furthermore, a D-1 level post costed at $241,600 has been redeployed to the MIS Division in 1992, which is included in the Division's staff costs.

b/ In decision GC.4/Dec.18, the General Conference took note of the proposed maximum expenditures for the biennium 1994-1995, representing an increase of some 15 per cent over the 1992-1993 biennium. However, owing to severe budgetary constraints, resource growth for Management Information Services (programme 850) has been brought down to under 3 per cent.

UNIDO Organization Chart
as at 31 December 1992



DIRECTOR-GENERAL

DEPUTY DIRECTOR-GENERAL
Department of External Relations, Public Information, Language and Documentation Services

External Relations
- Office of the Director
- External Liaison and Protocol
- Secretariat of Policy-making Organs
- UNIDO Office at New York
- UNIDO Office at Geneva

Public Relations and Information

Languages and Documentation
- Office of the Director
- Translation
- Editorial Control and Publications
- Documents Control

DEPUTY DIRECTOR-GENERAL
Department of Administration

Personnel Services
- Office of the Director
- Recruitment
- Personnel Administration and Social Security
- Staff Development and Training

Financial Services
- Office of the Director
- Budget
- Financial Management of Technical Cooperation
- Accounts and Payments
- Treasury

General Services
- Office of the Director
- Purchase
- Contracts
- Buildings Management

Management Information Services
- Office of the Director
- Computer Operations
- Computing Information Centre
- Application Services

DEPUTY DIRECTOR-GENERAL
Department for Programme and Project Development

Programme and Project Appraisal

Special Measures and Activities
- Office of the Director
- Environment Coordination
- ECDC
- Integration of Women in Industrial Development
- Integrated Programme Support

Area Programmes
- Office of the Director

IDDA Coordination
LDC Coordination
Field Representation and Coordination
- Africa
- Arab Countries
- Asia and Pacific
- Europe, Mediterranean, Global and Interregional
- Latin America and Caribbean

Industrial Policy and Perspectives
- Office of the Director
- Regional and Country Studies
- Global Issues and Policy Analysis
- Industrial Statistics and Sectoral Surveys

Industrial Cooperation and Funds Mobilization
- Office of the Director
- IDF Mobilization and Funds Management
- Industrial Cooperation and Management Services
- Industrial Enterprises and NGOs

DEPUTY DIRECTOR-GENERAL
Department of Industrial Operations

Interregional Advisers

Integrated Projects and Central Monitoring

Industrial Operations Technology
- Office of the Director
- Agro-based Industries
- Chemical Industries
- Metallurgical Industries
- Engineering Industries

Industrial Institutions and Services
- Office of the Director
- Industrial Strategies and Policies
- Institutional Infrastructure
- Industrial Management and Rehabilitation

Industrial Operations Support
- Office of the Director
- Industrial Human Resource Development
- Project Personnel Recruitment and Administration

DEPUTY DIRECTOR-GENERAL
Department for Industrial Promotion, Consultations and Technology

Industrial Investment
- Office of the Director
- Industrial Investment Programmes
- Investment Promotion Network
- Feasibility Studies

System of Consultations
- Office of the Director
- Light Industries
- Heavy Industries
- Process Industries
- Common Topics

Technology Development and Promotion
- Office of the Director
- Industrial and Technological Information
- Technology Promotion
- Technology Acquisition and Negotiation

Table 1(a)

Summary of regular and operational budgets

(In thousands of dollars at US$ 1 = AS 12.90)

	1 1992-1993 approved budget	2 Revaluation of 1992-1993 budget at 1993 rates	3 1994-1995 resource growth at 1993 rates	4 1994-1995 resource requirements at 1993 rates (1+2+3)	5 Expected inflation 1994-1995	6 1994-1 resour requirem (4+5
RB expenditures a/	214,395.5	5,044.6	(667.8)	218,772.3	23,388.1	242,1
Deduct RB income a/	35,132.7	(853.0)	(667.8)	33,611.9	2,332.8	35,9
RB net requirements b/	179,262.8	5,897.6	0.0	185,160.4	21,055.3	206,2
OB expenditures	49,234.9	2,222.0	(11,943.7)	39,513.2	4,363.4	43,8
Total RB and OB	228,497.7	8,119.6	(11,943.7)	224,673.6	25,418.7	250,0

a/ Includes cost-reimbursable expenditures of $33,382.1 for 1992-1993 previously netted off against expenditures.

b/ Assessment of Member States.

Table 1(b)

Analysis of real growth (at 1993 rates)

(In thousands of dollars at US$ 1 = AS 12.90)

	1 Revalued 1992-1993 budget (1+2 of table 1(a))	2 Total 1994-1995 resource growth at 1993 rates	3 Resource growth	4 Rate of real growth (3) over (1) (per cent)
RB net requirements	185,160.4	0.0	0.0	0.0
OB expenditures	51,456.9	(11,943.7)	(11,943.7)	(23.2)
Total	236,617.3	(11,943.7)	(11,943.7)	(5.0)

Table 1(c)

Technical cooperation delivery and support cost income estimates (excluding regular programme activities)

(In thousands of dollars)

	1992-1993 a/		1994-1995	
	Delivery	Support cost income	Delivery	Support cost income
UNDP				
Old regime	91,500	11,900	23,000	2,990
TSS-1 b/	-	1,750	-	2,400
TSS-2	-	3,500	-	7,130
AOS	12,500	1,250	68,800	6,880
Project budget c/	150	150	-	1,500
SIS	5,400	700	6,000	780
IDF	65,300	8,110	90,000	10,160
Trust funds and others	83,700	10,210	93,500	12,060
TOTAL	258,400	37,570	281,300	43,900

a/ Reflects technical cooperation delivery and support cost income in 1992 and estimates for the remainder of the 1992-1993 biennium.

b/ Excludes travel and consultant costs of $1,750 for 1992-1993 and $2,400 for 1994-1995.

c/ Relates to technical support services financed from project budgets.

Table 1(d)

Estimated total volume of operations

(In thousands of dollars)

	1992-1993 a/	1994-1995
Technical cooperation delivery	258,400.0	281,300.0
TSS-1 b/	1,750.0	2,400.0
Regular budget	179,262.8	206,215.7
Operational budget	49,234.9	43,876.6
TOTAL	488,647.7	533,792.3

a/ Reflects revised technical cooperation delivery and support cost income for 1992-1993.

b/ Cost of travel and consultants portion included in TSS-1; net income from TSS-1 included in the operational budget.

Table 2(a)

Draft budget of expenditure and income: regular budget

(In thousands of dollars at US$ 1 = AS 12.90)

	Expenditure 1994-1995		Income 1994-1995
Cost of programmes a/	242,160.4	Assessment of Member States b/	206,215.7
		Interest earned on deposits	1,450.0
		Sales of publications	145.3
		Cost reimbursement income	34,349.4
		Total other income	35,944.7
Total	242,160.4	Total	242,160.4

a/ Including cost-reimbursable expenditures. Table 2(a) for the 1992-1993 biennium (GC.4/42) presented the cost of programmes net of cost-reimbursable expenditures.

b/ Details are provided in annex I.

Table 2(b)

Draft budget of expenditure, income and reserves: operational budget

(In thousands of dollars)

1. Opening reserves 1992-1993	
1.1 Estimated reserve balances as at 31 December 1993	650.0
2. Income 1994-1995	
2.1 Technical cooperation support income a/	43,900.0
2.2 Interest on deposits	200.0
2.3 Total income	44,100.0
3. Expenditure 1994-1995	
3.1 Cost of programmes b/	43,876.6
4. Net adjustment to operational reserves - Surplus for the biennium (2 - 3) b/	223.4
5. Closing reserves 1994-1995	
5.1 Estimated reserve balances as at 31 December 1995 (1 + 4)	873.4

a/ Calculated at 12.2 per cent of estimated technical cooperation delivery of $282.8 million plus net income from TSS-1 ($2.4 million) and TSS-2 ($7.1 million) - see table 1(c).

b/ At an exchange rate of US$ 1 = AS 12.90. Subject to exchange rate adjustments.

Table 3 (a)

Proposed expenditure and income (regular and operational budgets) by major programme and programme for 1994-1995 with comparative data for 1992-1993

(In thousands of dollars at US$1 = AS 12.90)

Programme title	1992-1993 approved budget (1992-1993 rates) Expenditure 1	Income 2	Net resource requirements 3 (=1-2)	Per cent of net total budget 4	1994-1995 resource requirements (1994-1995 rates) Expenditure 5	Income 6	Net resource requirements 7 (=5-6)	Per cent of net total budget 8
100 POLICY-MAKING ORGANS, EXTERNAL RELATIONS, PUBLIC INFORMATION, LANGUAGE AND DOCUMENTATION SERVICES								
110 Policy-making Organs	3,663.1	0.0	3,663.1	1.6	3,838.8	0.0	3,838.8	1.5
120 Office of the Deputy Director-General	1,660.9	0.0	1,660.9	0.7	1,918.8	0.0	1,918.8	0.8
130 External Relations	3,570.3	0.0	3,570.3	1.6	4,033.3	0.0	4,033.3	1.6
140 Languages and Documentation	19,516.1	3,627.5	15,888.6	7.0	22,960.5	3,475.8	19,484.7	7.8
150 Public Relations and Information	1,558.2	0.0	1,558.2	0.7	1,883.0	0.0	1,883.0	0.8
Subtotal	29,968.6	3,627.5	26,341.1	11.5	34,634.4	3,475.8	31,158.6	12.5
200 GENERAL MANAGEMENT								
210 Executive Direction and Management	7,456.2	0.0	7,456.2	3.3	8,100.2	0.0	8,100.2	3.2
Subtotal	7,456.2	0.0	7,456.2	3.3	8,100.2	0.0	8,100.2	3.2
300 PROGRAMME AND PROJECT DEVELOPMENT								
310 Office of the Deputy Director-General	4,619.6	0.0	4,619.6	2.0	5,075.9	0.0	5,075.9	2.0
320 Special Measures and Activities	4,188.3	0.0	4,188.3	1.8	4,162.4	0.0	4,162.4	1.7
330 Area Programmes	20,140.5	0.0	20,140.5	8.8	22,705.3	0.0	22,705.3	9.1
340 Industrial Policy and Perspectives	12,837.6	0.0	12,837.6	5.6	11,215.3	0.0	11,215.3	4.5
350 Industrial Cooperation and Funds Mobilization	5,482.3	0.0	5,482.3	2.4	6,096.8	0.0	6,096.8	2.4
Subtotal	47,268.3	0.0	47,268.3	20.7	49,255.7	0.0	49,255.7	19.7
400 INDUSTRIAL PROMOTION, CONSULTATIONS AND TECHNOLOGY								
410 Office of the Deputy Director-General	1,764.5	0.0	1,764.5	0.8	1,739.6	0.0	1,739.6	0.7
420 Industrial Investment	7,824.0	0.0	7,824.0	3.4	8,657.8	0.0	8,657.8	3.5
430 System of Consultations	5,993.7	0.0	5,993.7	2.6	6,395.9	0.0	6,395.9	2.6
440 Industrial Technology Development and Promotion	9,447.7	0.0	9,447.7	4.1	10,082.9	0.0	10,082.9	4.0
Subtotal	25,029.9	0.0	25,029.9	11.0	26,876.2	0.0	26,876.2	10.7

Table 3(a) (continued)

Programme title	1992-1993 approved budget (1992-1993 rates) Expenditure 1	Income 2	Net resource requirements 3 (=1-2)	Per cent of net total budget 4	1994-1995 resource requirements (1994-1995 rates) Expenditure 5	Income 6	Net resource requirements 7 (=5-6)	Per cent of net total budget 8
500 INDUSTRIAL OPERATIONS								
510 Office of the Deputy Director-General	6,691.5	0.0	6,691.5	2.9	6,896.4	0.0	6,896.4	2.8
520 Industrial Operations Technology	17,998.2	0.0	17,998.2	7.9	20,368.6	0.0	20,368.6	8.1
530 Industrial Institutions and Services	11,907.7	0.0	11,907.7	5.2	12,175.7	0.0	12,175.7	4.9
540 Industrial Operations Support	12,368.1	0.0	12,368.1	5.4	13,358.3	0.0	13,358.3	5.3
Subtotal	48,965.5	0.0	48,965.5	21.4	52,799.0	0.0	52,799.0	21.1
600 COMMON PROGRAMMES								
610 Regular Programme of Technical Cooperation	10,755.7	0.0	10,755.7	4.7	12,372.9	0.0	12,372.9	4.9
620 Industrial Development Decade for Africa	5,030.5	0.0	5,030.5	2.2	5,480.3	0.0	5,480.3	2.2
Subtotal	15,786.2	0.0	15,786.2	6.9	17,853.2	0.0	17,853.2	7.1
700 VIENNA INTERNATIONAL CENTRE (VIC) - RELATED SERVICES								
710 Buildings Management Services	37,742.1	25,811.1	11,931.0	5.2	41,341.1	28,277.3	13,063.8	5.2
720 Other Services provided to UNIDO	5,133.9	0.0	5,133.9	2.2	5,695.9	0.0	5,695.9	2.3
Subtotal	42,876.0	25,811.1	17,064.9	7.5	47,037.0	28,277.3	18,759.7	7.5
800 ADMINISTRATION								
810 Office of the Deputy Director-General	2,261.3	0.0	2,261.3	1.0	2,233.0	0.0	2,233.0	0.9
820 Personnel Services	7,441.9	1,282.4	6,159.5	2.7	8,153.3	677.2	7,476.1	3.0
830 Financial Services	9,154.2	926.0	8,228.2	3.6	9,436.8	0.0	9,436.8	3.8
840 General Services	18,448.7	1,090.3	17,358.4	7.6	19,523.4	1,202.6	18,320.8	7.3
850 Management Information Services	8,973.6	644.8	8,328.8	3.6	10,134.8	716.5	9,418.3	3.8
Subtotal	46,279.7	3,943.5	42,336.2	18.5	49,481.3	2,596.3	46,885.0	18.7
900 MISCELLANEOUS INCOME								
Subtotal	0.0	1,750.6	(1,750.6)	(0.8)	0.0	1,595.3	(1,595.3)	(0.6)
GRAND TOTAL	263,630.4	35,132.7	228,497.7	100.0	286,037.0	35,944.7	250,092.3	100.0

Table 3(b)

Proposed expenditure and income (regular budget) by major programme and programme for 1994-1995 with comparative data for 1992-1993

(In thousands of dollars at US$1 = AS 12.90)

Programme title	1992-1993 approved budget (1992-1993 rates) Expenditure 1	Income 2	Net resource requirements 3 (=1-2)	Per cent of net total budget 4	1994-1995 resource requirements (1994-1995 rates) Expenditure 5	Income 6	Net resource requirements 7 (=5-6)	Per cent of net total budget 8
100 POLICY-MAKING ORGANS, EXTERNAL RELATIONS, PUBLIC INFORMATION, LANGUAGE AND DOCUMENTATION SERVICES								
110 Policy-making Organs	3,663.1	0.0	3,663.1	2.0	3,838.8	0.0	3,838.8	1.9
120 Office of the Deputy Director-General	1,437.1	0.0	1,437.1	0.8	1,681.7	0.0	1,681.7	0.8
130 External Relations	3,540.8	0.0	3,540.8	2.0	4,033.3	0.0	4,033.3	2.0
140 Languages and Documentation	19,516.1	3,627.5	15,888.6	8.9	22,960.5	3,475.8	19,484.7	9.4
150 Public Relations and Information	1,558.2	0.0	1,558.2	0.9	1,883.0	0.0	1,883.0	0.9
Subtotal	29,715.3	3,627.5	26,087.8	14.6	34,397.3	3,475.8	30,921.5	15.0
200 GENERAL MANAGEMENT								
210 Executive Direction and Management	6,113.3	0.0	6,113.3	3.4	6,926.9	0.0	6,926.9	3.4
Subtotal	6,113.3	0.0	6,113.3	3.4	6,926.9	0.0	6,926.9	3.4
300 PROGRAMME AND PROJECT DEVELOPMENT								
310 Office of the Deputy Director-General	3,648.1	0.0	3,648.1	2.0	4,385.9	0.0	4,385.9	2.1
320 Special Measures and Activities	2,710.4	0.0	2,710.4	1.5	3,256.0	0.0	3,256.0	1.6
330 Area Programmes	11,479.4	0.0	11,479.4	6.4	16,065.2	0.0	16,065.2	7.8
340 Industrial Policy and Perspectives	12,051.4	0.0	12,051.4	6.7	10,736.4	0.0	10,736.4	5.2
350 Industrial Cooperation and Funds Mobilization	3,021.8	0.0	3,021.8	1.7	3,409.6	0.0	3,409.6	1.7
Subtotal	32,911.1	0.0	32,911.1	18.4	37,853.1	0.0	37,853.1	18.4
400 INDUSTRIAL PROMOTION, CONSULTATIONS AND TECHNOLOGY								
410 Office of the Deputy Director-General	1,351.6	0.0	1,351.6	0.8	1,552.6	0.0	1,552.6	0.8
420 Industrial Investment	5,652.4	0.0	5,652.4	3.2	7,008.8	0.0	7,008.8	3.4
430 System of Consultations	5,450.2	0.0	5,450.2	3.0	5,863.5	0.0	5,863.5	2.8
440 Industrial Technology Development and Promotion	7,336.3	0.0	7,336.3	4.1	8,433.6	0.0	8,433.6	4.1
Subtotal	19,790.5	0.0	19,790.5	11.0	22,858.5	0.0	22,858.5	11.1

Table 3(b) (continued)

Programme title	1992-1993 approved budget (1992-1993 rates)				1994-1995 resource requirements (1994-1995 rates)			
	Expenditure 1	Income 2	Net resource requirements 3 (=1-2)	Per cent of net total budget 4	Expenditure 5	Income 6	Net resource requirements 7 (=5-6)	Per cent of net total budget 8
500 INDUSTRIAL OPERATIONS								
510 Office of the Deputy Director-General	5,382.2	0.0	5,382.2	3.0	6,030.2	0.0	6,030.2	2.9
520 Industrial Operations Technology	13,687.8	0.0	13,687.8	7.6	16,686.4	0.0	16,686.4	8.1
530 Industrial Institutions and Services	9,603.0	0.0	9,603.0	5.4	10,375.1	0.0	10,375.1	5.0
540 Industrial Operations Support	4,135.2	0.0	4,135.2	2.3	4,908.0	0.0	4,908.0	2.4
Subtotal	32,808.2	0.0	32,808.2	18.3	37,999.7	0.0	37,999.7	18.4
600 COMMON PROGRAMMES								
610 Regular Programme of Technical Cooperation	10,755.7	0.0	10,755.7	6.0	12,372.9	0.0	12,372.9	6.0
620 Industrial Development Decade for Africa	5,030.5	0.0	5,030.5	2.8	5,480.3	0.0	5,480.3	2.7
Subtotal	15,786.2	0.0	15,786.2	8.8	17,853.2	0.0	17,853.2	8.7
700 VIENNA INTERNATIONAL CENTRE (VIC) - RELATED SERVICES								
710 Buildings Management Services	37,742.1	25,811.1	11,931.0	6.7	41,341.1	28,277.3	13,063.8	6.3
720 Other Services provided to UNIDO	5,133.9	0.0	5,133.9	2.9	5,695.9	0.0	5,695.9	2.8
Subtotal	42,876.0	25,811.1	17,064.9	9.5	47,037.0	28,277.3	18,759.7	9.1
800 ADMINISTRATION								
810 Office of the Deputy Director-General	2,148.8	0.0	2,148.8	1.2	2,118.7	0.0	2,118.7	1.0
820 Personnel Services	6,003.1	1,282.4	4,720.7	2.6	6,781.4	677.2	6,104.2	3.0
830 Financial Services	5,405.6	926.0	4,479.6	2.5	5,938.2	0.0	5,938.2	2.9
840 General Services	15,223.5	1,090.3	14,133.2	7.9	15,880.1	1,202.6	14,677.5	7.1
850 Management Information Services	5,613.9	644.8	4,969.1	2.8	6,516.3	716.5	5,799.8	2.8
Subtotal	34,394.9	3,943.5	30,451.4	17.0	37,234.7	2,596.3	34,638.4	16.8
900 MISCELLANEOUS INCOME								
Subtotal	0.0	1,750.6	(1,750.6)	(1.0)	0.0	1,595.3	(1,595.3)	(0.8)
GRAND TOTAL	214,395.5	35,132.7	179,262.8	100.0	242,160.4	35,944.7	206,215.7	100.0

Table 3 (c)

Proposed expenditure (operational budget) by major programme and programme for 1994-1995 with comparative data for 1992-1993

(In thousands of dollars at US$1 = AS 12.90)

Programme title	1992-1993 approved budget (1992-1993 rates)		1994-1995 resource requirements (1994-1995 rates)	
	Resource requirements 1	Per cent of total budget 2	Resource requirements 3	Per cent of total budget 4
100 POLICY-MAKING ORGANS, EXTERNAL RELATIONS, PUBLIC INFORMATION, LANGUAGE AND DOCUMENTATION SERVICES				
110 Policy-making Organs	0.0	0.0	0.0	0.0
120 Office of the Deputy Director-General	223.8	0.5	237.1	0.5
130 External Relations	29.5	0.1	0.0	0.0
140 Languages and Documentation	0.0	0.0	0.0	0.0
150 Public Relations and Information	0.0	0.0	0.0	0.0
Subtotal	253.3	0.5	237.1	0.5
200 GENERAL MANAGEMENT				
210 Executive Direction and Management	1,342.9	2.7	1,173.3	2.7
Subtotal	1,342.9	2.7	1,173.3	2.7
300 PROGRAMME AND PROJECT DEVELOPMENT				
310 Office of the Deputy Director-General	971.5	2.0	690.0	1.6
320 Special Measures and Activities	1,477.9	3.0	906.4	2.1
330 Area Programmes	8,661.1	17.6	6,640.1	15.1
340 Industrial Policy and Perspectives	786.2	1.6	478.9	1.1
350 Industrial Cooperation and Funds Mobilization	2,460.5	5.0	2,687.2	6.1
Subtotal	14,357.2	29.2	11,402.6	26.0
400 INDUSTRIAL PROMOTION, CONSULTATIONS AND TECHNOLOGY				
410 Office of the Deputy Director-General	412.9	0.8	187.0	0.4
420 Industrial Investment	2,171.6	4.4	1,649.0	3.8
430 System of Consultations	543.5	1.1	532.4	1.2
440 Industrial Technology Development and Promotion	2,111.4	4.3	1,649.3	3.8
Subtotal	5,239.4	10.6	4,017.7	9.2
500 INDUSTRIAL OPERATIONS				
510 Office of the Deputy Director-General	1,309.3	2.7	866.2	2.0
520 Industrial Operations Technology	4,310.4	8.8	3,682.2	8.4
530 Industrial Institutions and Services	2,304.7	4.7	1,800.6	4.1
540 Industrial Operations Support	8,232.9	16.7	8,450.3	19.3
Subtotal	16,157.3	32.8	14,799.3	33.7
600 COMMON PROGRAMMES				
610 Regular Programme of Technical Cooperation	0.0	0.0	0.0	0.0
620 Industrial Development Decade for Africa	0.0	0.0	0.0	0.0
Subtotal	0.0	0.0	0.0	0.0
700 VIENNA INTERNATIONAL CENTRE (VIC) - RELATED SERVICES				
710 Buildings Management Services	0.0	0.0	0.0	0.0
720 Other Services provided to UNIDO	0.0	0.0	0.0	0.0
Subtotal	0.0	0.0	0.0	0.0
800 ADMINISTRATION				
810 Office of the Deputy Director-General	112.5	0.2	114.3	0.3
820 Personnel Services	1,438.8	2.9	1,371.9	3.1
830 Financial Services	3,748.6	7.6	3,498.6	8.0
840 General Services	3,225.2	6.6	3,643.3	8.3
850 Management Information Services	3,359.7	6.8	3,618.5	8.2
Subtotal	11,884.8	24.1	12,246.6	27.9
GRAND TOTAL	49,234.9	100.0	43,876.6	100.0

Table 4 (a)

Proposed expenditure and income (regular and operational budgets) by major object of expenditure for 1994-1995 with comparative data for 1992-1993

(In thousands of dollars at US$1 = AS 12.90)

Major object of expenditure	1992-1993 approved budget (1992-1993 rates)				1994-1995 resource requirements (1994-1995 rates)			
	Expenditure 1	Income 2	Net resource requirements 3 (=1-2)	Per cent of net total budget 4	Expenditure 5	Income 6	Net resource requirements 7 (=5-6)	Per cent of net total budget 8
100 Staff costs	193,533.9	16,614.1	176,919.8	77.4	209,786.6	16,092.9	193,693.7	77.4
200 Official travel/ meetings	5,201.9	12.2	5,189.7	2.3	4,668.6	26.4	4,642.2	1.9
300 Contractual services	748.4	0.0	748.4	0.3	810.1	0.0	810.1	0.3
400 General operating expenses	30,195.6	15,717.9	14,477.7	6.3	32,357.9	16,923.5	15,434.4	6.2
500 Supplies and materials	1,140.8	282.3	858.5	0.4	1,308.1	346.7	961.4	0.4
600 Acquisition of furniture and equipment	1,038.7	393.5	645.2	0.3	1,478.5	551.8	926.7	0.4
700 EDP non-staff costs	9,162.2	358.4	8,803.8	3.9	10,113.0	404.8	9,708.2	3.9
800 Technical cooperation	10,755.7	0.0	10,755.7	4.7	12,372.9	0.0	12,372.9	4.9
900 Other expenditures	11,853.2	3.7	11,849.5	5.2	13,141.3	3.3	13,138.0	5.3
000 Miscellaneous income	0.0	1,750.6	(1,750.6)	(0.8)	0.0	1,595.3	(1,595.3)	(0.6)
TOTAL ESTIMATES	263,630.4	35,132.7	228,497.7	100.0	286,037.0	35,944.7	250,092.3	100.0

Table 4 (b)

Proposed expenditure and income (regular budget) by major object of expenditure for 1994-1995 with comparative data for 1992-1993

(In thousands of dollars at US$1 = AS 12.90)

	Major object of expenditure	1992-1993 approved budget (1992-1993 rates)				1994-1995 resource requirements (1994-1995 rates)			
		Expenditure 1	Income 2	Net resource requirements 3 (=1-2)	Per cent of net total budget 4	Expenditure 5	Income 6	Net resource requirements 7 (=5-6)	Per cent of net total budget 8
100	Staff costs	149,665.6	16,614.1	133,051.5	74.2	171,010.6	16,092.9	154,917.7	75.1
200	Official travel/ meetings	3,403.0	12.2	3,390.8	1.9	3,822.0	26.4	3,795.6	1.8
300	Contractual services	712.2	0.0	712.2	0.4	787.3	0.0	787.3	0.4
400	General operating expenses	29,635.0	15,717.9	13,917.1	7.8	31,625.7	16,923.5	14,702.2	7.1
500	Supplies and materials	1,110.8	282.3	828.5	0.5	1,271.5	346.7	924.8	0.4
600	Acquisition of furniture and equipment	964.4	393.5	570.9	0.3	1,374.8	551.8	823.0	0.4
700	EDP non-staff costs	6,364.8	358.4	6,006.4	3.4	7,146.1	404.8	6,741.3	3.3
800	Technical cooperation	10,755.7	0.0	10,755.7	6.0	12,372.9	0.0	12,372.9	6.0
900	Other expenditures	11,784.0	3.7	11,780.3	6.6	12,749.5	3.3	12,746.2	6.2
000	Miscellaneous income	0.0	1,750.6	(1,750.6)	(1.0)	0.0	1,595.3	(1,595.3)	(0.8)
TOTAL ESTIMATES		214,395.5	35,132.7	179,262.8	100.0	242,160.4	35,944.7	206,215.7	100.0

Table 4 (c)

Proposed expenditure (operational budget) by major object of expenditure for 1994-1995 with comparative data for 1992-1993

(In thousands of dollars at US$1 = AS 12.90)

		1992-1993 approved budget (1992-1993 rates)		1994-1995 resource requirements (1994-1995 rates)	
	Major object of expenditure	Resource requirements 1	Per cent of total budget 2	Resource requirements 3	Per cent of total budget 4
100	Staff costs	43,868.3	89.1	38,776.0	88.4
200	Official travel/ meetings	1,798.9	3.7	846.6	1.9
300	Contractual services	36.2	0.1	22.8	0.1
400	General operating expenses	560.6	1.1	732.2	1.7
500	Supplies and materials	30.0	0.1	36.6	0.1
600	Acquisition of furniture and equipment	74.3	0.2	103.7	0.2
700	EDP non-staff costs	2,797.4	5.7	2,966.9	6.8
800	Technical cooperation	0.0	0.0	0.0	0.0
900	Other expenditures	69.2	0.1	391.8	0.3
TOTAL ESTIMATES		49,234.9	100.0	43,876.6	100.0

Table 5

Posts established under the regular and operational budgets, 1992-1993 and 1994-1995 a/

	1992		1993		1994		1995	
	RB	OB	RB	OB	RB	OB	RB	OB
Professional and above b/								
Director-General	1	-	1	-	1	-	1	-
Deputy Director-General	5	-	5	-	5	-	5	-
Director	39	6	39	6	38	6	38	6
P-5	99	25	99	25	104	17	104	17
P-4	127	29	127	29	128	23	128	23
P-3	86	29	86	29	85	17	85	17
P-2/1	49	4	49	4	42	2	42	2
Subtotal	406	93	406	93	403	65	403	65
General Service								
Principal level	26	7	26	7	22	7	22	7
Other levels	541	237	541	237	550	197	550	197
Subtotal	567	244	567	244	572	204	572	204
Other (Language teachers)	7	-	7	-	6	-	6	-
Total	980	337	980	337	981	269	981	269
GRAND TOTAL	1,317		1,317		1,250		1,250	

a/ Includes posts which are cost shared under common and joint services provided by UNIDO.

b/ The post encumbered by the Staff Council President is included in established posts in the Department from which the President is released.

Table 6

Matrix: response to medium-term plan priorities

MTP priority Sub-programme	Human resource development	Development and transfer of technology	Industrial rehabilitation	Small- and medium-scale industries	Energy and environment	Mobilization of financial resources	ECDC	Integration of women	REGIONAL DIMENSION				
									Africa and IDDA	Arab Countries	Asia and Pacific	Latin America and Caribbean	LDC
312	o	o	o	o	o	o	o	o	o	o	o	o	o
321							o		o	o	o	o	o
322								o	o				
323	o	o	o	o	o	o	o	o	o	o	o	o	o
324					o				o	o	o	o	o
331	o	o	o	o	o	o	o	o	o				
332	o	o	o	o	o	o	o	o		o			
333	o	o	o	o	o	o	o	o			o		
334	o	o	o	o	o	o	o	o					
335	o	o	o	o	o	o	o	o				o	
336	o	o	o	o	o	o	o	o	o	o	o	o	o
341	o	o	o	o	o	o	o	o					
342	o	o	o	o	o	o	o	o	o	o	o	o	o
343	o	o	o	o	o	o	o	o	o		o	o	
351	o	o	o	o	o	o	o	o	o	o	o	o	o
352	o	o	o	o	o	o	o	o	o	o	o	o	o
353	o	o	o	o	o	o	o	o	o	o	o	o	o
421	o	o	o	o	o	o	o		o	o	o	o	
422	o	o	o	o	o	o	o	o					
423	o	o	o	o	o	o	o	o	o	o	o		
431	o	o	o	o	o	o	o	o	o		o		o
432	o	o	o	o	o	o	o	o					o
433	o	o	o	o	o	o	o	o		o	o		o
434	o	o	o	o	o	o	o	o				o	o
441	o	o	o	o	o	o	o	o					
442	o	o	o	o	o	o	o		o				
443	o	o		o	o		o	o	o		o	o	
511	o	o	o	o	o	o	o	o	o	o	o	o	o
512	o	o	o	o	o	o	o	o					
521	o	o	o	o	o		o	o	o	o	o	o	o
522	o	o	o	o	o			o	o	o	o	o	o
523	o	o	o	o	o	o	o	o	o	o	o	o	o
524	o	o	o	o	o			o		o	o		o
531	o	o	o	o	o	o	o	o	o	o	o	o	o
532	o	o	o	o	o	o	o	o	o	o	o	o	o
533	o	o	o	o	o	o	o	o	o	o	o	o	o
541	o	o	o	o	o		o	o	o	o	o	o	o
542	o	o	o	o	o		o	o	o	o	o	o	o
610	o	o	o	o	o	o	o	o	o	o	o	o	o

Table 7

Resource distribution by medium-term plan priority area and common element (regular and operational budgets)

Priority problem area and common element		Dollars at 1993 rates
1. Human resource development		
312	Programme and Project Appraisal	515,800
323	Integrated Programme Support	77,700
331	Africa	287,500
332	Arab Countries	271,800
333	Asia and the Pacific	259,300
334	Europe, Mediterranean Global and Interregional	210,000
335	Latin America and the Caribbean	236,200
336	Field Representation and Coordination	779,700
341	Global Issues and Policy Analysis	235,900
342	Regional and Country Studies	431,700
343	Industrial Statistics and Sectoral Surveys	679,500
351	Industrial Cooperation and Management Services	425,700
352	Industrial Enterprises and NGOs	165,800
353	IDF Mobilization and Funds Management	169,100
421	Industrial Investment Programmes	494,800
422	Investment Promotion Network	34,100
423	Feasibility Studies	608,600
431	Light Industries	117,900
432	Heavy Industries	135,300
433	Process Industries	92,800
434	Common Topics	145,300
441	Industrial and Technological Information	370,400
442	Technology Acquisition and Negotiation	169,200
443	Technology Promotion	386,000
511	Interregional Advisers	90,000
512	Integrated Projects and Central Monitoring	158,200
521	Agro-based Industries	768,900
522	Chemical Industries	637,000
523	Metallurgical Industries	299,900
524	Engineering Industries	582,900
531	Industrial Strategies and Policies	265,600
532	Institutional Infrastructure	725,800
533	Industrial Management and Rehabilitation	120,300
541	Industrial Human Resource Development	1,104,300
542	Project Personnel Recruitment and Administrative Service	760,500
610	Regular Programme of Technical Cooperation	830,100
620	Industrial Development Decade for Africa	218,000
Total		13,861,600
2. Development and transfer of technology		
312	Programme and Project Appraisal	429,800
323	Integrated Programme Support	77,700
331	Africa	287,500
332	Arab Countries	271,800
333	Asia and the Pacific	259,300
334	Europe, Mediterranean, Global and Interregional	105,000
335	Latin America and the Caribbean	236,200
336	Field Representation and Coordination	779,700
341	Global Issues and Policy Analysis	235,900
342	Regional and Country Studies	431,700
343	Industrial Statistics and Sectoral Surveys	679,500
351	Industrial Cooperation and Management Services	425,700
352	Industrial Enterprises and NGOs	165,800
353	IDF Mobilization and Funds Management	169,100
421	Industrial Investment Programmes	329,800
422	Investment Promotion Network	34,100
423	Feasibility Studies	304,300
431	Light Industries	294,600

Table 7 (continued)

		Dollars at 1993 rates
432	Heavy Industries	338,100
433	Process Industries	139,200
434	Common Topics	145,300
441	Industrial and Technological Information	926,000
442	Technology Acquisition and Negotiation	564,000
443	Technology Promotion	1,930,100
511	Interregional Advisers	359,800
512	Integrated Projects and Central Monitoring	316,300
521	Agro-based Industries	576,700
522	Chemical Industries	2,548,100
523	Metallurgical Industries	749,800
524	Engineering Industries	582,900
531	Industrial Strategies and Policies	132,800
532	Institutional Infrastructure	483,900
533	Industrial Management and Rehabilitation	120,300
541	Industrial Human Resource Development	736,200
542	Project Personnel Recruitment and Administrative Service	2,281,600
610	Regular Programme of Technical Cooperation	830,100
620	Industrial Development Decade for Africa	744,600
Total		20,023,300

3. Industrial rehabilitation

312	Programme and Project Appraisal	154,700
323	Integrated Programme Support	77,700
331	Africa	287,500
332	Arab Countries	271,800
333	Asia and the Pacific	259,300
334	Europe, Mediterranean, Global and Interregional	105,000
335	Latin America and the Caribbean	236,200
336	Field Representation and Coordination	779,700
341	Global Issues and Policy Analysis	235,900
342	Regional and Country Studies	863,300
343	Industrial Statistics and Sectoral Surveys	339,700
351	Industrial Cooperation and Management Services	425,700
352	Industrial Enterprises and NGOs	165,800
353	IDF Mobilization and Funds Management	169,100
421	Industrial Investment Programmes	329,800
422	Investment Promotion Network	17,100
423	Feasibility Studies	304,300
431	Light Industries	176,800
432	Heavy Industries	135,300
433	Process Industries	139,200
434	Common Topics	96,900
441	Industrial and Technological Information	154,300
442	Technology Acquisition and Negotiation	56,400
511	Interregional Advisers	359,800
512	Integrated Projects and Central Monitoring	237,200
521	Agro-based Industries	384,400
522	Chemical Industries	955,500
523	Metallurgical Industries	299,900
524	Engineering Industries	1,302,900
531	Industrial Strategies and Policies	531,100
532	Institutional Infrastructure	241,900
533	Industrial Management and Rehabilitation	962,600
541	Industrial Human Resource Development	368,100
542	Project Personnel Recruitment and Administrative Service	380,300
610	Regular Programme of Technical Cooperation	830,100
620	Industrial Development Decade for Africa	493,400
Total		13,128,700

Table 7 (continued)

4. Small- and medium-scale industries

		Dollars at 1993 rates
312	Programme and Project Appraisal	154,700
323	Integrated Programme Support	77,700
331	Africa	287,500
332	Arab Countries	181,200
333	Asia and the Pacific	259,300
334	Europe, Mediterranean, Global and Interregional	105,000
335	Latin America and the Caribbean	236,200
336	Field Representation and Coordination	779,700
341	Global Issues and Policy Analysis	235,900
342	Regional and Country Studies	647,500
343	Industrial Statistics and Sectoral Surveys	339,700
351	Industrial Cooperation and Management Services	106,400
352	Industrial Enterprises and NGOs	41,500
353	IDF Mobilization and Funds Management	169,100
421	Industrial Investment Programmes	329,800
422	Investment Promotion Network	34,100
423	Feasibility Studies	152,100
431	Light Industries	117,900
432	Heavy Industries	135,300
433	Process Industries	92,800
434	Common Topics	145,300
441	Industrial and Technological Information	463,000
442	Technology Acquisition and Negotiation	112,800
443	Technology Promotion	386,000
511	Interregional Advisers	269,900
512	Integrated Projects and Central Monitoring	237,200
521	Agro-based Industries	192,200
522	Chemical Industries	955,500
523	Metallurgical Industries	359,900
524	Engineering Industries	274,300
531	Industrial Strategies and Policies	531,100
532	Institutional Infrastructure	1,935,500
533	Industrial Management and Rehabilitation	120,300
541	Industrial Human Resource Development	368,100
542	Project Personnel Recruitment and Administrative Service	1,521,100
610	Regular Programme of Technical Cooperation	830,100
Total		13,185,700

5. Environment and energy

		Dollars at 1993 rates
312	Programme and Project Appraisal	86,000
323	Integrated Programme Support	77,700
324	Environment Coordination	1,053,000
331	Africa	287,500
332	Arab Countries	271,800
333	Asia and the Pacific	259,300
334	Europe, Mediterranean, Global and Interregional	157,500
335	Latin America and the Caribbean	236,200
336	Field Representation and Coordination	779,700
341	Global Issues and Policy Analysis	235,900
342	Regional and Country Studies	431,700
343	Industrial Statistics and Sectoral Surveys	679,500
351	Industrial Cooperation and Management Services	425,700
352	Industrial Enterprises and NGOs	165,800
353	IDF Mobilization and Funds Management	169,100
421	Industrial Investment Programmes	164,900
422	Investment Promotion Network	17,100
423	Feasibility Studies	456,400
431	Light Industries	235,700
432	Heavy Industries	270,500
433	Process Industries	185,600
434	Common Topics	193,700
441	Industrial and Technological Information	463,000

Table 7 (continued)

		Dollars at 1993 rates
442	Technology Acquisition and Negotiation	56,400
443	Technology Promotion	579,000
511	Interregional Advisers	359,800
512	Integrated Projects and Central Monitoring	237,200
521	Agro-based Industries	768,900
522	Chemical Industries	955,500
523	Metallurgical Industries	689,800
524	Engineering Industries	651,400
531	Industrial Strategies and Policies	398,300
532	Institutional Infrastructure	241,900
533	Industrial Management and Rehabilitation	361,000
541	Industrial Human Resource Development	368,100
542	Project Personnel Recruitment and Administrative Service	760,500
610	Regular Programme of Technical Cooperation	830,100
Total		14,561,200

6. Mobilization of financial resources for industrial development

312	Programme and Project Appraisal	154,700
323	Integrated Programme Support	77,700
331	Africa	575,000
332	Arab Countries	90,600
333	Asia and the Pacific	259,300
334	Europe, Mediterranean, Global and Interregional	157,500
335	Latin America and the Caribbean	236,200
336	Field Representation and Coordination	779,700
341	Global Issues and Policy Analysis	235,900
342	Regional and Country Studies	431,700
343	Industrial Statistics and Sectoral Surveys	339,700
351	Industrial Cooperation and Management Services	106,400
352	Industrial Enterprises and NGOs	41,500
353	IDF Mobilization and Funds Management	338,200
421	Industrial Investment Programmes	1,319,400
422	Investment Promotion Network	170,500
423	Feasibility Studies	608,600
431	Light Industries	58,900
432	Heavy Industries	67,600
433	Process Industries	92,800
434	Common Topics	48,400
441	Industrial and Technological Information	308,700
442	Technology Acquisition and Negotiation	56,400
511	Interregional Advisers	90,000
512	Integrated Projects and Central Monitoring	79,100
523	Metallurgical Industries	150,000
531	Industrial Strategies and Policies	132,800
532	Institutional Infrastructure	483,900
533	Industrial Management and Rehabilitation	240,700
610	Regular Programme of Technical Cooperation	830,100
620	Industrial Development Decade for Africa	746,500
Total		9,308,500

7. ECDC and subregional industrial cooperation

312	Programme and Project Appraisal	86,000
321	Economic Cooperation among Developing Countries	694,000
323	Integrated Programme Support	77,700
331	Africa	287,500
332	Arab Countries	181,200
333	Asia and the Pacific	389,000
334	Europe, Mediterranean, Global and Interregional	52,500
335	Latin America and the Caribbean	78,700
336	Field Representation and Coordination	779,700
341	Global Issues and Policy Analysis	78,600

Table 7 (continued)

		Dollars at 1993 rates
342	Regional and Country Studies	647,500
343	Industrial Statistics and Sectoral Surveys	169,900
351	Industrial Cooperation and Management Services	106,400
352	Industrial Enterprises and NGOs	41,500
353	IDF Mobilization and Funds Management	169,100
421	Industrial Investment Programmes	329,800
422	Investment Promotion Network	17,100
423	Feasibility Studies	152,100
431	Light Industries	117,900
432	Heavy Industries	202,900
433	Process Industries	92,800
434	Common Topics	96,900
441	Industrial and Technological Information	308,700
442	Technology Acquisition and Negotiation	112,800
443	Technology Promotion	386,000
511	Interregional Advisers	90,000
512	Integrated Projects and Central Monitoring	158,200
521	Agro-based Industries	576,700
523	Metallurgical Industries	60,000
531	Industrial Strategies and Policies	265,600
532	Institutional Infrastructure	241,900
533	Industrial Management and Rehabilitation	240,700
541	Industrial Human Resource Development	368,100
542	Project Personnel Recruitment and Administrative Service	760,500
610	Regular Programme of Technical Cooperation	830,100
620	Industrial Development Decade for Africa	683,000
	Total	9,931,100

8. Integration of women in industrial development

312	Programme and Project Appraisal	137,500
322	Integration of Women in Industrial Development	790,600
323	Integrated Programme Support	77,700
331	Africa	287,500
332	Arab Countries	90,600
333	Asia and the Pacific	259,300
334	Europe, Mediterranean, Global and Interregional	52,500
335	Latin America and the Caribbean	78,700
336	Field Representation and Coordination	779,700
341	Global Issues and Policy Analysis	78,600
342	Regional and Country Studies	215,800
343	Industrial Statistics and Sectoral Surveys	169,900
351	Industrial Cooperation and Management Services	106,400
352	Industrial Enterprises and NGOs	41,500
353	IDF Mobilization and Funds Management	169,100
422	Investment Promotion Network	17,100
423	Feasibility Studies	304,300
431	Light Industries	58,900
432	Heavy Industries	67,600
433	Process Industries	92,800
434	Common Topics	96,900
441	Industrial and Technological Information	92,600
443	Technology Promotion	193,000
511	Interregional Advisers	90,900
512	Integrated Projects and Central Monitoring	79,100
521	Agro-based Industries	384,400
522	Chemical Industries	318,500
523	Metallurgical Industries	150,000
524	Engineering Industries	34,300
531	Industrial Strategies and Policies	132,800
532	Institutional Infrastructure	483,900
533	Industrial Management and Rehabilitation	120,300
541	Industrial Human Resource Development	368,100
542	Project Personnel Recruitment and Administrative Service	760,500

Table 7 (continued)

		Dollars at 1993 rates
610	Regular Programme of Technical Cooperation	830,100
620	Industrial Development Decade for Africa	109,000
Total		8,119,600

Note

1. The figures shown in table 7 relate to the three substantive Departments (major programmes 300, 400 and 500) and two programmes: Regular Programme of Technical cooperation and the Industrial Development Decade for Africa. They are based on an estimate of the percentage of resources required at the subprogramme level in those three major programmes and two programmes for each of the priorities and common elements identified in the medium-term plan.

2. As a first step, percentages were calculated at the subprogramme/programme level for each of the five priority areas and three common elements, with a final area ("others") accommodating those activities which did not fall into any of the eight previous areas, thus yielding a total of 100 per cent and avoiding double-counting. The above calculation did not include the regional dimension.

3. As a second step, the percentages were then applied to the subprogramme appropriations and the resultant figures, with the exception of the activities falling under "others" as well as those related to direction and management and to the Directors' offices, have been included in the table.

Table 8

Total UNIDO
1994-1995 resource requirements

(In thousands of dollars, at 1993 rates)

Regular and operational budgets

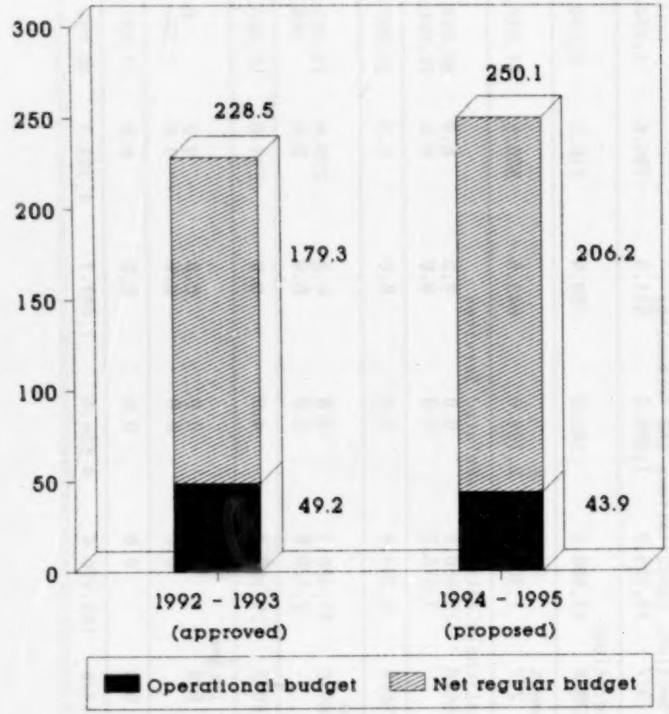
	Staff Prof. wy/ms	Staff GS/Other wy/ms	Cost	Consult.	Meetings	Travel	Other	Total	Previous biennium 1992-1993
RB gross	819/2	1201/5	146,596.0	4,243.6	1,326.0	3,583.6	63,023.1	218,772.3	219,440.1
RB income			14,657.3	12.5	0.0	24.7	18,917.4	33,611.9	34,279.7
RB net	819/2	1201/5	131,938.7	4,231.1	1,326.0	3,558.9	44,105.7	185,160.4	185,160.4
OB	130/0	412/1	34,059.7	433.3	171.7	794.4	4,054.1	39,513.2	51,456.9
Total	949/2	1613/6	165,998.4	4,664.4	1,497.7	4,353.3	48,159.8	224,673.6	236,617.3

By major programme

	Staff Prof. wy/ms	Staff GS/Other wy/ms	Cost	Consult.	Meetings	Travel	Other	Total	Previous biennium 1992-1993
100 Policy-making Organs, External Relations, Public Information, Language and Documentation Services									
Gross	146/0	218/10	25,687.8	41.4	0.0	208.5	5,069.3	31,007.0	30,688.4
Income			3,061.1	12.5	0.0	20.1	3.0	3,096.7	3,200.4
Net	146/0	218/10	22,626.7	28.9	0.0	188.4	5,066.3	27,910.3	27,488.0
200 General Management	42/0	39/4	6,825.9	25.7	0.0	204.4	130.8	7,186.8	7,632.5
300 Programme and Project Development	242/0	269/2	37,991.2	745.0	83.0	1,651.6	3,460.6	43,931.4	48,906.5
400 Industrial Promotion, Consultations and Technology	138/0	119/7	19,986.0	1,306.2	611.3	796.6	1,274.7	23,974.8	25,676.1
500 Industrial Operations	250/0	338/8	43,508.5	365.6	159.9	710.5	2,249.3	46,993.8	50,529.7
600 Common Programmes	9/2	2/7	1,307.6	2,189.0	643.5	580.5	11,512.6	16,233.2	16,233.2
700 Vienna International Centre (VIC)-Related Services									
Gross	6/0	256/4	13,860.6	0.0	0.0	6.9	30,014.4	43,881.9	43,881.9
Income			9,476.2	0.0	0.0	4.6	16,926.6	26,407.4	26,407.4
Net	6/0	256/4	4,384.4	0.0	0.0	2.3	13,087.8	17,474.5	17,474.5
800 Administration									
Gross	116/0	369/0	31,488.1	4.0	0.0	219.0	13,365.5	45,076.6	47,348.7
Income			2,120.0	0.0	0.0	0.0	400.8	2,520.8	3,105.0
Net	116/0	369/0	29,368.1	4.0	0.0	219.0	12,964.7	42,555.8	44,243.7
900 Miscellaneous Income									
Gross	0/0	0/0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Income			0.0	0.0	0.0	0.0	1,587.0	1,587.0	1,566.9
Net	0/0	0/0	0.0	0.0	0.0	0.0	-1,587.0	-1,587.0	-1,566.9
Total	949/2	1613/6	165,998.4	4,664.4	1,497.7	4,353.3	48,159.8	224,673.6	236,617.3

Figure 1
Summary of regular (net) and operational budgets

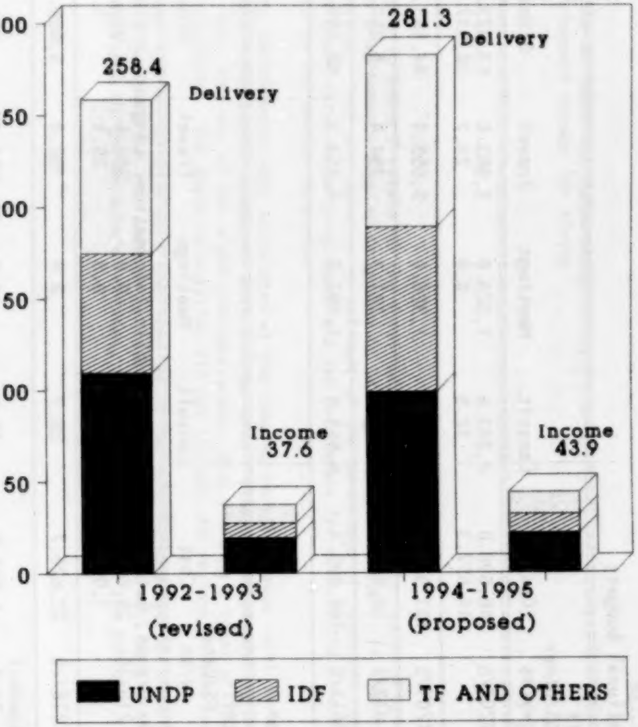
(In millions of dollars)



Source: Table 1(a)

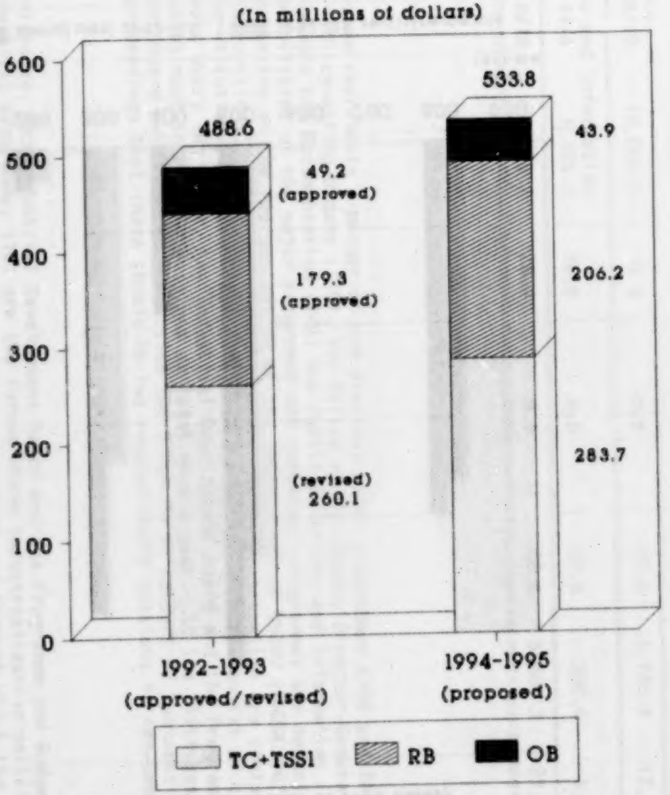
Figure 2
Technical cooperation delivery and support cost income estimates

(In millions of dollars)



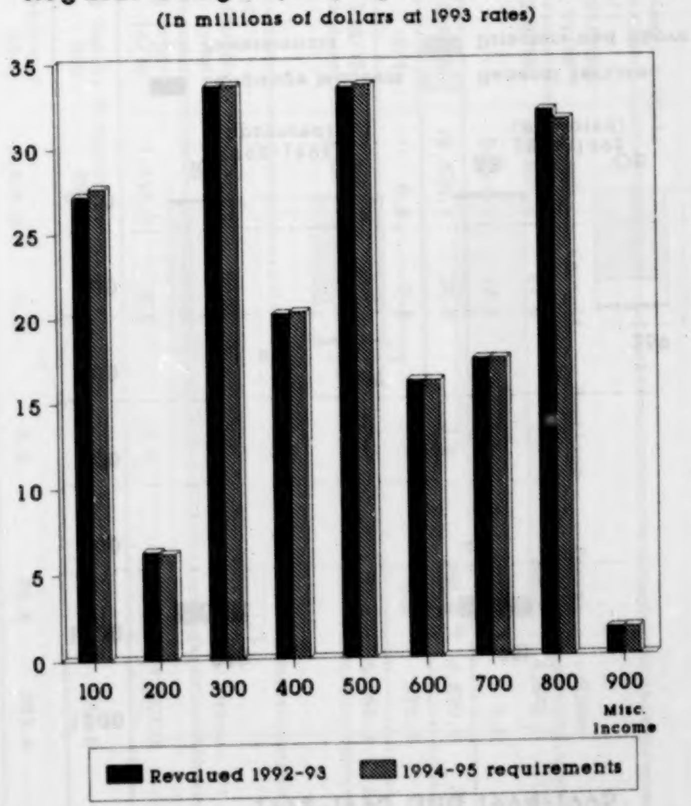
Source: Table 1(c)

Figure 3
Estimated total volume of operations



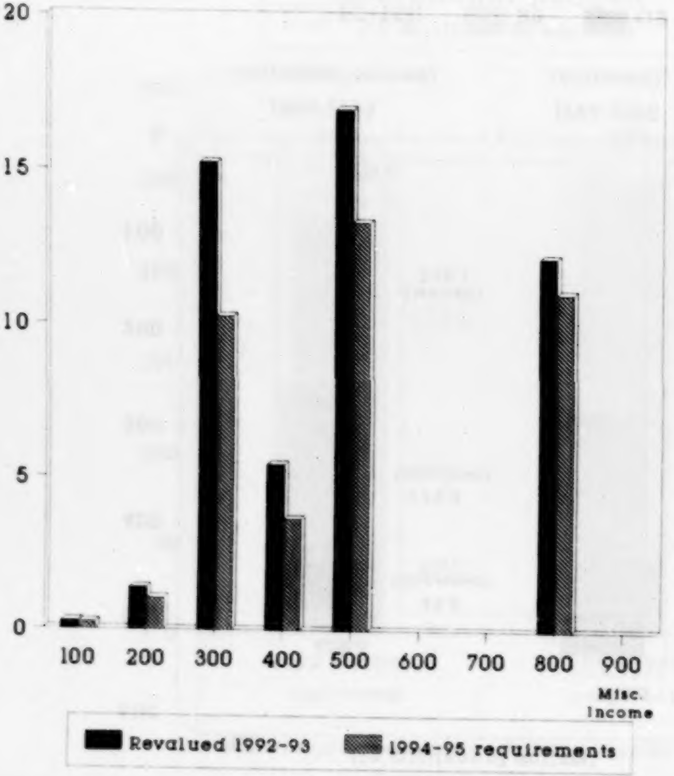
Source: Table 1(d)

Figure 4
Regular budget (net) by major programme



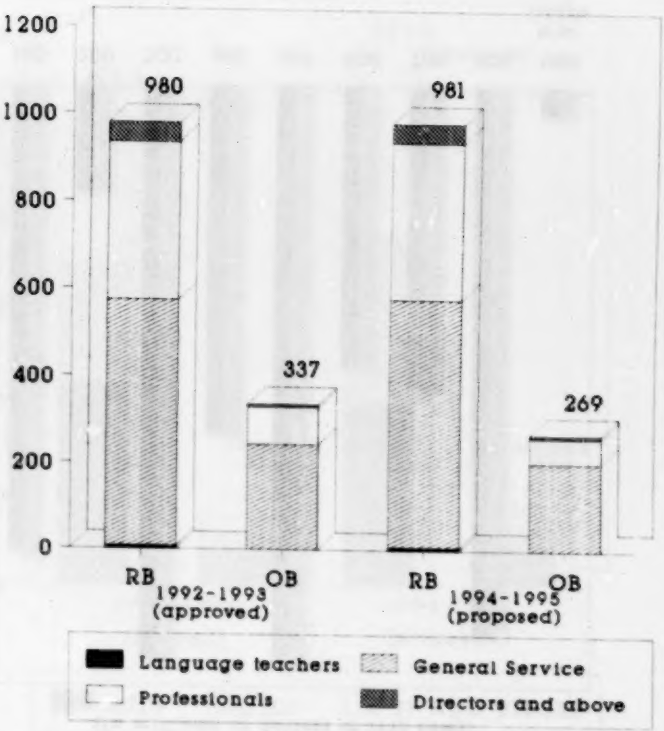
Source: Major programme tables

Figure 5
Operational budget by major programme
(In millions of dollar at 1993 rates)



Source: Major programme tables

Figure 6
Established posts
1992-1993 and 1994-1995



Source: Table 5

Major Programme: 100 POLICY-MAKING ORGANS, EXTERNAL RELATIONS, PUBLIC INFORMATION, LANGUAGE AND DOCUMENTATION SERVICES

1994-1995 resource requirements
(In thousands of dollars, at 1993 rates)

Regular and operational budgets

	Staff								Previous biennium
	Prof. wy/ms	GS/Other wy/ms	Cost	Consult.	Meetings	Travel	Other	Total	1992-1993
RB gross	146/0	218/10	25,687.8	41.4	0.0	208.5	4,842.7	30,780.4	30,430.4
RB income			3,061.1	12.5	0.0	20.1	3.0	3,096.7	3,200.4
RB net	146/0	218/10	22,626.7	28.9	0.0	188.4	4,839.7	27,683.7	27,230.0
OB	0/0	0/0	0.0	0.0	0.0	0.0	226.6	226.6	258.0
Total	146/0	218/10	22,626.7	28.9	0.0	188.4	5,066.3	27,910.3	27,488.0

By programme

	Staff								Previous biennium
	Prof. wy/ms	GS/Other wy/ms	Cost	Consult.	Meetings	Travel	Other	Total	1992-1993
110 Policy-making Organs	11/4	14/10	1,732.3	0.0	0.0	0.0	1,757.2	3,489.5	3,741.8
120 Office of the Deputy Director-General	4/0	8/0	958.9	0.0	0.0	49.5	750.8	1,759.2	1,697.2
130 External Relations	18/0	20/6	3,014.5	0.0	0.0	99.5	483.4	3,597.4	3,653.6
140 Languages and Documentation									
Gross	106/8	160/10	18,626.8	21.4	0.0	37.5	1,777.3	20,463.0	20,000.6
Income			3,061.1	12.5	0.0	20.1	3.0	3,096.7	3,200.4
Net	106/8	160/10	15,565.7	8.9	0.0	17.4	1,774.3	17,366.3	16,800.2
150 Public Relations and Information	6/0	14/8	1,355.3	20.0	0.0	22.0	300.6	1,697.9	1,595.2
Total	146/0	218/10	22,626.7	28.9	0.0	188.4	5,066.3	27,910.3	27,488.0

Major programme description

Composition

1.1. The major programme represents a merger of two previous major programmes (100 and 700) and consists of five programmes: Policy-making Organs (110), the Office of the Deputy Director-General (120), External Relations (130), Languages and Documentation (140) and Public Relations and Information (150). The functions and responsibilities of the major programme and component programmes are described in the Director-General's Bulletins on the reorganization of the Secretariat of UNIDO (UNIDO/DG/B.26 and Add.1, 75 and 77), while the functions of the policy-making organs of the Organization are contained in Chapter III of the Constitution of UNIDO. The policy-making organs of UNIDO consist of the General Conference, which meets every two years, the Industrial Development Board and the Programme and Budget Committee, both of which meet in regular sessions at least once a year. At its fifth session, the Industrial Development Board decided in its decision IDB.5/Dec.46 on conduct of business and rationalization of proceedings that there should be two regular Board sessions in non-General Conference years.

Basic aims

1.2. The General Conference, the Industrial Development Board and the Programme and Budget Committee (which constitute the first programme, 110) are the forums where industrialization policies and industrialization efforts of Member States are reviewed, discussed and through which the Secretariat receives guidelines and policies governing its activities. Furthermore, the major programme is responsible for maintaining general relations with Governments, intergovernmental organizations, organizations of the United Nations system and enlisting public understanding of and support for the activities of UNIDO. It plays a key role in facilitating the work of the legislative bodies and strengthening the Organization's links with the outside world. In the field of public information, a number of new initiatives will be undertaken including qualitative improvement of the present services covering print, film, radio and television. A consolidated corporate identity will be defined and a more pronounced public image of the Organization will be created through a vigorous public relations, information and press programme. In order to derive the greatest public information potential, projects that underline the success of the Organization's strategy will be given full media exposure. One aspect of the effectiveness and efficiency of the Organization is governed by the translation, editorial control and documentation services provided for UNIDO meetings, publications, reports and studies. During the biennium, efforts will be made to increase the productivity of translators and editors by ensuring improvements in the quality of the texts submitted for translation/editing, by introducing new technologies, by improving the distribution of work both within the Organization and without, and by refining the monitoring of productivity and cost-efficiency.

Interlinkage

1.3. According to Article 7 of the Constitution, the General Conference and the Industrial Development Board are the principal organs of UNIDO, whereas the Programme and Budget Committee is a subsidiary organ of the Board. The Committee assists the Board in the preparation and examination of the programme of work, the regular and operational budget of the Organization and other financial matters pertaining to the Organization. The Board acts under the authority of the Conference, reviews the implementation of the approved programme of work and corresponding regular and operational budgets as well as other decisions of the Conference, and reports to the Conference at each regular session on its activities. The Conference determines the guiding principles and policies of the Organization, approves the programme of work together with the regular and operational budgets of the Organization, and considers the reports of the Board, of the Director-General and of the subsidiary organs of the Conference. It also makes recommendations to Member States and to international organizations on matters within the competence of the Organization. Furthermore, given the important role it plays in maintaining close relations with Member States, organizations of the United Nations system, intergovernmental organizations and national and international mass media, the major programme contributes significantly to establishing close interlinkages both within UNIDO and without. In order to secure inputs to the legislative bodies as well as material for general distribution to the media and the public, it has to be in close contact with all other major programmes and their constituent programmes and subprogrammes. Furthermore, the Languages and Documentation programme provides translation, editorial control and documentation services as a joint service serving both UNIDO and the United Nations bodies in Vienna in respect of meetings, publications, reports and studies.

Income

1.4. This major programme also receives income for the joint language and documentation services that it provides to the United Nations Office at Vienna (UNOV). This income, which relates mainly to staff costs, and the share of UNIDO in those services are reflected in all the summary tables in this section. In the ultimate analysis, this relationship between UNOV and UNIDO may well change given that negotiations on the status of the United Nations/UNIDO Joint Language and Documentation Service are in progress and might well lead to a complete re-configuration of the Service.

1.5. As can be seen from the table below, the net expenditures represent a real growth of 1.7 per cent, whereas gross expenditures show a real growth of 1.2 per cent. Among the contributory factors to the increase in gross expenditures are the provisions for the rental of reproduction equipment and electronic data-processing services which have been offset in part by savings in temporary assistance for meetings and by limited post reductions reflected in lower salary and common staff costs.

Analysis of regular budget real growth
(In thousands of dollars, at 1993 rates at US$ 1 = AS 12.90)

	Revalued 1992-1993 resource base (1)	Resource growth 1994-1995 (2)	Total estimates 1994-1995 (3)	Rate of real growth % (2) over (1) (4)
Gross expenditure	30,430.4	350.0	30,780.4	1.2
Income	3,200.4	(103.7)	3,096.7	-3.2
Net expenditure	27,230.0	453.7	27,683.7	1.7

Major Programme: 100 POLICY-MAKING ORGANS, EXTERNAL RELATIONS, PUBLIC INFORMATION, LANGUAGE AND DOCUMENTATION SERVICES
Programme: 110 Policy-making Organs

1994-1995 resource requirements
(In thousands of dollars, at 1993 rates)

Regular and operational budgets

	Staff Prof. wy/ms	GS/Other wy/ms	Cost	Consult.	Meetings	Travel	Other	Total	Previous biennium 1992-1993
RB	11/4	14/10	1,732.3	0.0	0.0	0.0	1,757.2	3,489.5	3,741.8
OB	0/0	0/0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total	11/4	14/10	1,732.3	0.0	0.0	0.0	1,757.2	3,489.5	3,741.8

By subprogramme

	Staff Prof. wy/ms	GS/Other wy/ms	Cost	Consult.	Meetings	Travel	Other	Total	Previous biennium 1992-1993
111 Secretariat of Policy-making Organs	8/0	8/0	1,113.8	0.0	0.0	0.0	0.0	1,113.8	1,148.4
112 General Conference	0/8	2/1	149.7	0.0	0.0	0.0	392.8	542.5	626.5
113 Industrial Development Board	2/6	3/5	391.8	0.0	0.0	0.0	935.2	1,327.0	1,330.7
114 Programme and Budget Committee	0/2	1/4	77.0	0.0	0.0	0.0	429.2	506.2	636.2
Total	11/4	14/10	1,732.3	0.0	0.0	0.0	1,757.2	3,489.5	3,741.8

Programme description

Development objectives

1.6. The programme contributes directly to the objectives of the Organization as set out in the Constitution of UNIDO and provides secretariat services to all sessions of the policy-making organs of UNIDO as well as to all working groups established by those organs. The structure of the programme reflects these two roles; it comprises the following component subprogrammes: Secretariat of Policy-making Organs (111), General Conference (112), Industrial Development Board (113) and Programme and Budget Committee (114).

Relationship to medium-term plan priorities

1.7. The medium-term plan priorities are approved by the General Conference following their consideration by the Industrial Development Board and the Programme and Budget Committee. Furthermore, the resolutions and decisions adopted by the principal and subsidiary organs of the Organization are determining factors in the elaboration of the medium-term plan priorities and their re-appraisal every two years.

New features

1.8. The work of the principal organs of UNIDO is governed by developments within the United Nations system (such as the changes within the United Nations Development Programme (UNDP) and the growing membership of the Organization) as well as in the external environment (such as the major global economic and ideological changes) which have to be taken into account within the context of the Organization's basic mandate and activities and the possible need to realign the thrust of its work.

Variation over the previous biennium

1.9. The programme represents a re-configuration of three previous programmes (General Conference, Industrial Development Board and Programme and Budget Committee) and one subprogramme (Secretariat of Policy-making Organs) so as to yield a cohesive programmatic entity devoted exclusively to the work of the policy-making organs which draw to a large measure on the services provided by the other programmes in the same major programme.

1.10. Whereas the sessions of the policy-making organs are short, their agendas are becoming increasingly crowded. On account of the number of items to be reviewed by the General Conference, many meetings continue beyond working hours and sometimes involve night sessions. This calls for extensive support staff, i.e. staff of the Secretariat of Policy-making Organs, staff seconded to that Secretariat, Languages and Documentation Division staff, as well as security and other support services, whose input is necessary to ensure the continuity of the Conference's proceedings. That notwithstanding, it is proposed to reduce the temporary assistance requirements of the policy-making organs by improving the efficiency of operations.

Major Programme: 100 POLICY-MAKING ORGANS, EXTERNAL RELATIONS, PUBLIC INFORMATION, LANGUAGE AND DOCUMENTATION SERVICES
Programme: 110 Policy-making Organs
Subprogramme: 111 Secretariat of Policy-making Organs

1994-1995 resource requirements
(In thousands of dollars, at 1993 rates)

Regular and operational budgets

	Staff Prof. wy/ms	GS/Other wy/ms	Cost	Consult.	Meetings	Travel	Other	Total	Previous biennium 1992-1993
RB	8/0	8/0	1,113.8	0.0	0.0	0.0	0.0	1,113.8	1,148.4
OB	0/0	0/0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total	8/0	8/0	1,113.8	0.0	0.0	0.0	0.0	1,113.8	1,148.4

Subprogramme description

Introduction

1.11. The subprogramme services and ensures the coordination of all arrangements for the sessions of the policy-making organs of UNIDO, i.e. the General Conference (which meets once every two years), the Industrial Development Board (which, following decision IDB.5/Dec.46, has two sessions in non-General Conference years and one session in General Conference years) and the Programme and Budget Committee (which meets at least once a year).

Problems addressed

1.12. The policy-making organs of UNIDO are the forums in which Member States review and discuss industrialization policies and strategies together with the implications they bear for the work of the Organization. The major problem confronting the Organization is the divergence of views and the essentiality of securing consensus on the various agenda items through a process of consultation and negotiation. The achievement of consensus is facilitated by efficient secretariat services before, during and after the formal sessions of the policy-making organs.

Objectives

1.13. The basic objective of the subprogramme is to provide secretariat services to all sessions of the policy-making organs of UNIDO as well as to all working groups established by those organs. It also maintains close liaison with Governments and Permanent Missions on all matters pertaining to the sessions of policy-making organs so as to ensure the effective coordination of arrangements for the various meetings and the documentary input.

Output and activities

1.14. Servicing the sessions of the policy-making organs is a comprehensive task. It includes preparing documents at three distinct stages. In the pre-session stage, documents (including the Annual Report) are coordinated, monitored and, as appropriate, edited. During the session, draft decisions/conclusions/resolutions, conference room papers and the daily Journal are prepared. In the post-session stage, the reports are prepared and issued. Given the trend towards a growing number of documents and number of pages submitted to the policy-making organs, the Secretariat of Policy-making Organs is expected to prepare/process some 6,000 pages in the course of the biennium. This reflects an increase over the previous biennium of 1,900 pages, i.e. approximately 30 per cent.

1.15. Servicing also includes: coordinating all material arrangements for the various meetings; issuing and following up invitations; registering delegations and issuing lists of participants; advising and assisting the President or Chairman and, the Rapporteur of the meetings as to their functions; and servicing working groups established by the policy-making organs. The Secretariat also liaises with Governments and Permanent Missions on all questions concerning the sessions of the policy-making organs and identifies the follow-up action to decisions and resolutions adopted by the various bodies.

Coordination

1.16. As the central coordination office for the policy-making organs, the subprogramme maintains regular contacts and coordination with Permanent Representatives of Member States, United Nations organizations, intergovernmental organizations that have relationship agreements with UNIDO and non-governmental organizations that enjoy consultative status with UNIDO. As the central coordinating office for documentation submitted to the policy-making organs of UNIDO, the subprogramme liaises with all relevant major programmes, programmes and subprogrammes of UNIDO.

Resource requirements

1.17. The output and activities of the subprogramme are carried out exclusively by the staff attached to the subprogramme, whose strength will be increased by the reclassification from G-7 to P-2 level (-$34,600) in respect of the incumbent of the post currently working on and finalizing the documents submitted to the subprogramme. This reflects the increased responsibilities associated with the post as the number and volume of documents submitted to the policy-making organs of UNIDO are increasing rapidly and a minimum increase of 30 per cent in the volume of documentation for the biennium is expected.

Resource increases/decreases

1.18. The regular budget shows a decrease (-$34,600) which is directly related to the proposed reclassification of the G-7 post to the level P-2.

Major Programme: 100 POLICY-MAKING ORGANS, EXTERNAL RELATIONS, PUBLIC INFORMATION,
LANGUAGE AND DOCUMENTATION SERVICES
Programme: 110 Policy-making Organs
Subprogramme: 112 General Conference

1994-1995 resource requirements
(In thousands of dollars, at 1993 rates)

Regular and operational budgets

	Staff Prof. wy/ms	GS/Other wy/ms	Cost	Consult.	Meetings	Travel	Other	Total	Previous biennium 1992-1993
RB	0/8	2/1	149.7	0.0	0.0	0.0	392.8	542.5	626.5
OB	0/0	0/0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total	0/8	2/1	149.7	0.0	0.0	0.0	392.8	542.5	626.5

Subprogramme description

Introduction

1.19. In accordance with Article 7.1 of the Constitution, the General Conference is a principal organ of UNIDO. The Conference consists of representatives of all Members of the Organization, and determines the guiding principles and policies of the Organization. The medium-term plan priorities are approved by the General Conference following their consideration by the Industrial Development Board and the Programme and Budget Committee. Furthermore, the resolutions and decisions adopted by the General Conference are determining factors in the elaboration of the medium-term plan priorities and their re-appraisal every two years.

Problems addressed

1.20. The policy-making organs of UNIDO are the forums in which Member States review and discuss industrialization policies and strategies together with the implications they bear for the work of the Organization. The major problem is the divergence of views and the essentiality of securing consensus on the various agenda items through a process of consultation and negotiation.

1.21. In common with the other principal organs of UNIDO, the work of the General Conference is governed by developments within the United Nations system (such as the changes within UNDP and the growing membership of the Organization) as well as in the external environment (such as the major global economic and ideological changes) which have to be taken into account within the context of the Organization's basic mandate and activities and the possible need to realign the thrust of its work.

Objectives

1.22. The basic objective of the subprogramme is to ensure an effective direct contribution of its Members to the primary objective of the Organization: the promotion and acceleration of industrial development in the developing countries with a view to assisting in the establishment of a new international economic order. In the same measure, the subprogramme also seeks to contribute to promoting industrial development and cooperation on global, regional and national, as well as sectoral levels.

Output and activities

1.23. In 1994-1995, this subprogramme will have one session (the sixth) of the General Conference for a total of five working days, in the course of which ten plenary meetings, five main committee meetings and five geographical group meetings will be accommodated. The sixth session of the General Conference will be held at Vienna. In the event that the Conference is held at another site, the additional costs involved will be met by the host Government.

Coordination

1.24. As one of the principal organs of the Organization, the work and deliberations of the subprogramme are closely coordinated with those of the other principal organs. It may also establish other subsidiary organs, such as technical committees, to assist it in its task.

Resource requirements

Resource breakdown for the fifth and sixth sessions of the General Conference
(In thousands of dollars)

	Revalued 1992-1993	1994-1995
General temporary assistance	10.7	10.7
Overtime	57.0	57.0
Joint printing	109.5	105.0
Temporary assistance for meetings	162.0	82.0
Public information services	7.4	7.4
Rental and maintenance of equipment	15.4	19.9
Hospitality	13.6	13.6
Miscellaneous services	4.0	-
Supplies and material	2.5	2.5
Joint meetings planning	53.3	53.3
Common interpretation services	191.1	191.1
	626.5	542.5

Resource increases/decreases

1.25. The regular budget shows a decrease of $84,000. Temporary assistance for meetings has been decreased by $80,000 since the schedule of the Conference is such that the workload can for the most part be absorbed by regular staff. The requirements for rental and maintenance of furniture and equipment have had to be increased by $4,500. This, however, has been offset by decreasing joint printing and reproduction services by $4,500, while miscellaneous services have been decreased by $4,000.

Major Programme: 100 POLICY-MAKING ORGANS, EXTERNAL RELATIONS, PUBLIC INFORMATION, LANGUAGE AND DOCUMENTATION SERVICES
Programme: 110 Policy-making Organs
Subprogramme: 113 Industrial Development Board

1994-1995 resource requirements
(In thousands of dollars, at 1993 rates)

Regular and operational budgets

	Staff Prof. wy/ms	GS/Other wy/ms	Cost	Consult.	Meetings	Travel	Other	Total	Previous biennium 1992-1993
RB	2/6	3/5	391.8	0.0	0.0	0.0	935.2	1,327.0	1,330.7
OB	0/0	0/0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total	2/6	3/5	391.8	0.0	0.0	0.0	935.2	1,327.0	1,330.7

Subprogramme description

Introduction

1.26. In accordance with Article 7.1 of the Constitution, the Industrial Development Board is a principal organ of UNIDO. The Board consists of 53 members elected by the Conference from among Member States in accordance with Article 9.1 of the Constitution. The relationship of the Industrial Development Board to the medium-term plan priorities is comparable to that of the General Conference, in that it, too, reviews those priorities before making its recommendations to the General Conference. Its debates and decisions contribute to the shaping of the priorities and ensure their adaptation to changes in political and economic circumstances.

Problems addressed

1.27. The policy-making organs of UNIDO are the forums in which Member States review and discuss industrialization policies and strategies together with the implications they bear for the work of the Organization. In addition to taking account of the same internal and external shifts as the General Conference, the Board, at its fifth session, decided in its decision IDB.5/Dec.46 on conduct of business and rationalization of proceedings that there should be two regular Board sessions in non-General Conference years. The object is to permit a sharper focus on specific items of interest and at the same time fuller treatment of those issues. In the course of the biennium, an attempt will be made to rationalize the work of the Board still further in the light of the standardized reporting formats adopted for both the programme and budgets and the Annual Report.

Objectives

1.28. As in the case of the General Conference, the basic objective of the Industrial Development Board is to ensure an effective direct contribution of its members to the primary objectives of the Organization: the promotion and acceleration of industrial development in the developing countries with a view to assisting in the establishment of a new international economic order. In the same measure, the subprogramme also seeks to contribute to promoting industrial development and cooperation on global, regional and national, as well as sectoral levels.

Output and activities

1.29. In 1994-1995, this programme will have three sessions of the Industrial Development Board for a total of 15 working days, in the course of which 30 plenary meetings and 15 geographical group meetings will be accommodated. All sessions will be held at Vienna. In the event that the meetings are held at another site, the additional costs involved will be met by the host Government. It will also have an unspecified number of inter-sessional working groups. In addition to exercising other functions specified in the Constitution or delegated to it by the General Conference, the Industrial Development Board shall exercise the functions assigned to it in Article 9, paragraph 4, of the Constitution of UNIDO.

Coordination

1.30. As one of the principal organs of the Organization, the work and deliberations of the subprogramme are closely coordinated with those of the other principal organs. It may also establish other subsidiary organs, such as technical committees, to assist it in its task.

Resource requirements

Resource breakdown for the Industrial Development Board
(In thousands of dollars)

	Revalued 1992-1993	1994-1995
General temporary assistance	10.8	10.8
Overtime	57.0	57.0
Joint printing	120.6	120.6
Temporary assistance for meetings	324.0	324.0
Rental and maintenance of equipment	7.6	7.6
Hospitality	8.4	8.4
Miscellaneous services	3.7	-
Joint meetings planning	102.5	102.5
Common interpretation services	401.8	401.8
External audit	294.3	294.3
	1,330.7	1,327.0
	=======	=======

Resource increases/decreases

1.31. The regular budget shows a decrease of $3,700 which reflects a reduction in miscellaneous services by that amount.

Major Programme: 100 POLICY-MAKING ORGANS, EXTERNAL RELATIONS, PUBLIC INFORMATION, LANGUAGE AND DOCUMENTATION SERVICES
Programme: 110 Policy-making Organs
Subprogramme: 114 Programme and Budget Committee

1994-1995 resource requirements
(In thousands of dollars, at 1993 rates)

Regular and operational budgets

	Staff								Previous
	Prof. wy/ms	GS/Other wy/ms	Cost	Consult.	Meetings	Travel	Other	Total	biennium 1992-1993
RB	0/2	1/4	77.0	0.0	0.0	0.0	429.2	506.2	636.2
OB	0/0	0/0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total	0/2	1/4	77.0	0.0	0.0	0.0	429.2	506.2	636.2

Subprogramme description

Introduction

1.32. In accordance with Article 7.2 of the Constitution, the Programme and Budget Committee is a subsidiary organ of the Industrial Development Board. It is composed of 27 Members of the Organization elected by the Conference in accordance with Article 10.1 of the Constitution. The relationship of the Programme and Budget Committee to the medium-term plan priorities is comparable to that of both the General Conference and the Board, in that it, too, reviews those priorities and considers their financial implications. Its debates and conclusions contribute to the shaping of the priorities and ensure their adaptation to changes in political and economic circumstances.

Problems addressed

1.33. The policy-making organs of UNIDO are the forums in which Member States review and discuss industrialization policies and strategies together with the implications they bear for the work of the Organization. In common with both the General Conference and the Board, the Committee is also faced with ensuring that in contributing to the preparation of the Organization's work programme and budgets, full account is taken of the internal and external developments and a possible realignment of the Organization's activities and their basic thrust. Furthermore, whereas the sessions of the policy-making organs are short, their agendas are becoming increasingly crowded, a constraint that the Committee faces in common with the three other subprogrammes in this programme.

Objectives

1.34. The primary objective of the Programme and Budget Committee is to assist the Industrial Development Board in the preparation and examination of the programme of work, the regular and operational budget of the Organization and other financial matters pertaining to the Organization as indicated in Article 10, paragraph 4, of the Constitution of UNIDO.

Output and activities

1.35. In 1994-1995, this programme will have two sessions of the Programme and Budget Committee, for a total of 15 working days, in the course of which 30 plenary meetings and 15 geographical group meetings will be accommodated. Both sessions will be held at Vienna. In the event that the meetings are held at another site, the additional costs involved will be met by the host Government.

Coordination

1.36. As one of the subsidiary organs of the Board, the work and deliberations of the subprogramme are closely coordinated with those of the other organs. It reports to the Industrial Development Board at each regular session on all activities of the Committee and submits advice or proposals on financial matters to the Industrial Development Board on its own initiative.

Resource requirements

Resource breakdown for the Programme and Budget Committee
(In thousands of dollars)

	Revalued 1992-1993	1994-1995
General temporary assistance	10.8	10.8
Overtime	34.2	34.2
Joint printing	63.5	72.1
Temporary assistance for meetings	162.0	32.0
Rental and maintenance of equipment	12.6	4.0
Hospitality	6.2	6.2
Joint meetings planning	73.0	73.0
Common interpretation services	273.9	273.9
	636.2	506.2
	=====	=====

Resource increases/decreases

1.37. The regular budget shows a decrease of $130,000. Similar to the General Conference and for the same reason, temporary assistance for meetings has been decreased by $130,000. There is a decrease of $8,600 in the amount for the rental and maintenance of furniture and equipment, while the amount for joint printing and reproduction services has had to be increased by $8,600.

Major Programme: 100 POLICY-MAKING ORGANS, EXTERNAL RELATIONS, PUBLIC INFORMATION, LANGUAGE AND DOCUMENTATION SERVICES
Programme: 120 Office of the Deputy Director-General

1994-1995 resource requirements
(In thousands of dollars, at 1993 rates)

Regular and operational budgets

	Staff Prof. wy/ms	Staff GS/Other wy/ms	Cost	Consult.	Meetings	Travel	Other	Total	Previous biennium 1992-1993
RB	4/0	8/0	958.9	0.0	0.0	49.5	524.2	1,532.6	1,469.4
OB	0/0	0/0	0.0	0.0	0.0	0.0	226.6	226.6	227.8
Total	4/0	8/0	958.9	0.0	0.0	49.5	750.8	1,759.2	1,697.2

Programme description

Development objectives

1.38. The Office of the Deputy Director-General is responsible for coordination and cooperation among the component programmes within the major programme which comprises Policy-making Organs, External Relations, Languages and Documentation and Public Relations and Information, as well as with all other major programmes and programmes.

Relationship to medium-term plan priorities

1.39. By virtue of its central coordinating role, the programme ensures that the medium-term plan priorities are reflected, to the extent possible, in the activities of the various subprogrammes, primarily through its qualitative improvement of the public information function and increased involvement of National Committees in the work of UNIDO. It also follows that closer contact with Governments and other organizations as established through the subprogrammes under the guidance of the programme leads to increased awareness of the priorities and their incorporation in the activities of the Organization.

New features

1.40. The programme will take on a more pronounced coordination role given the changing nature of the relationship with certain Member States, the increase in the membership of the Organization and the need to secure their close association with the work of UNIDO.

1.41. The thrust of the programme is reflected in the description of the development objectives and the relationship to the medium-term plan described above. The programme will not undergo any major change in respect of its work programme. However, greater emphasis will be placed on improving the efficiency of the programme in the light of the increased workload and ensuring further quantitative improvements, in particular in the language services and in the sphere of public information.

Problems addressed

1.42. The major problem confronting the programme is to ensure efficient and effective coordination and cooperation within the major programme, as well as with all other major programmes and programmes. Under conditions of severe resource constraints, this entails ensuring continued delivery of services and endeavouring to meet the growing demand for such services.

Objectives

1.43. The basic objective of the programme is to contribute to the effective management and coordination of the activities of the major programme so that the component units meet their work targets, and to review work processes and procedures with a view to securing operational efficiency and cost-effectiveness.

Output and activities

1.44. The programme plans and formulates the departmental work programmes within the context of the overall objectives of the Organization. It provides necessary guidance for, coordination of and follow-up to the implementation of those work programmes. It also ensures the effective financial and administrative management of the major programme, and during the biennium, it will devote particular attention to improving office operations and further increasing the efficiency of services provided by the component units.

Coordination

1.45. The programme works closely and continuously with all the component units of the major programme. It coordinates the work of the major programme with all the other major programmes in the Organization.

Resource requirements

1.46. The programme will draw on its own staff resources which will enjoy slight accretion with upgrading to the level P-5 of the current P-4 post ($33,000) in the Office of the Deputy Director-General. This specifically adds to the functional strength of the Office, given that the incumbent has to fulfil two discrete sets of duties: one set relating to management and programme analysis; the other set relating to external relations and liaison. The incumbent contributes directly to the outputs and activities of the Office which have experienced both a qualitative and quantitative increase over the previous biennium given the growing number of Member States and the changing nature of the relationship with certain Member States. Minimal general temporary assistance funding ($1,200) will also be required to provide for replacement of staff on sick leave or maternity leave. It has been maintained at the same level as in the previous biennium. Travel in this programme relates mostly to participation in the various coordination and policy meetings in Geneva, Rome, New York and countries in the African region. Funding required is at the level of the previous biennium ($49,500) and the breakdown is comparable to the previous biennium. Provision has also been made for overtime of $1,300 for the biennium to meet peak workloads during sessions of the legislative bodies as in the previous biennium.

1.47. With regard to electronic data-processing and office automation resources, a total amount of $750,800 ($524,200 regular budget, $226,600 operational budget) has been appropriated for this programme for the biennium to be drawn on by all subprogrammes in major programme 100.

Resource increases/decreases

1.48. The regular budget shows an increase of $63,200 and the operational budget a decrease of $1,200. The increase is due to reclassification of the P-4 post ($33,000) and electronic data processing ($30,200) while decrease in the operational budget relates to electronic data processing (-$1,200).

Major Programme: 100 POLICY-MAKING ORGANS, EXTERNAL RELATIONS, PUBLIC INFORMATION,
LANGUAGE AND DOCUMENTATION SERVICES
Programme: 130 External Relations

1994-1995 resource requirements
(In thousands of dollars, at 1993 rates)

Regular and operational budgets

	Staff								
	Prof. wy/ms	GS/Other wy/ms	Cost	Consult.	Meetings	Travel	Other	Total	Previous biennium 1992-1993
RB	18/0	20/6	3,014.5	0.0	0.0	99.5	483.4	3,597.4	3,623.4
OB	0/0	0/0	0.0	0.0	0.0	0.0	0.0	0.0	30.2
Total	18/0	20/6	3,014.5	0.0	0.0	99.5	483.4	3,597.4	3,653.6

By subprogramme

	Staff Prof. wy/ms	GS/Other wy/ms	Cost	Consult.	Meetings	Travel	Other	Total	Previous biennium 1992-1993
131 External Liaison and Protocol	6/0	10/0	1,149.2	0.0	0.0	17.3	18.6	1,185.1	1,130.7
132 UNIDO Office at New York	6/0	6/4	965.5	0.0	0.0	55.2	322.5	1,343.2	1,343.2
133 UNIDO Office at Geneva	4/0	2/2	554.6	0.0	0.0	12.0	142.3	708.9	812.5
134 Office of the Director	2/0	2/0	345.2	0.0	0.0	15.0	0.0	360.2	367.2
Total	18/0	20/6	3,014.5	0.0	0.0	99.5	483.4	3,597.4	3,653.6

Programme description

Development objectives

1.49. As reflected in its title, the role of the programme is to ensure closer contacts with external bodies, be they Governments, multilateral agencies within the United Nations system or private and public entities. The structure of the programme reflects this role; it comprises the following component subprogrammes: External Liaison and Protocol (131), UNIDO Office at New York (132), UNIDO Office at Geneva (133) and Office of the Director (134). In fulfilling its role, the programme deals with all matters concerning liaison with the host Government, Governments of Member States, the United Nations, the specialized agencies and intergovernmental organizations; it maintains contacts with representatives of Permanent Missions of Member States; it represents UNIDO at inter-agency and other meetings as required; it establishes contacts and strengthens relations between UNIDO and the public and private sectors, financial institutions, universities and research institutes through the UNIDO Offices at New York and Geneva.

Relationship to medium-term plan priorities

1.50. Through the maintenance of close contact with the various bodies concerned with industrial development, the component subprogrammes contribute to increased awareness of the medium-term plan priorities. Their work programmes are thus directed to raising the level of awareness among Member States and others of the priorities of the Organization by ensuring improved liaison both at Headquarters and at other major United Nations venues.

New features

1.51. Basically, there are no new features in this programme apart from an intensification of the liaison function at United Nations Headquarters in New York with the growing membership of the United Nations. It will also extend its attention to United States policy makers and officials in the pertinent departments of the Administration and to similar persons in Canada. As before, it will closely coordinate with the growing number of Member States of UNIDO which have representations in New York but not permanent representatives accredited to UNIDO. The liaison function located at Geneva will strengthen links with the 21 missions in that city, the majority of which are from least developed countries and without any representation in Vienna. Thus, the activities of that office are of particular importance to those missions and to the work of the Organization. Efforts will continue to revitalize the National Committees of UNIDO.

Variation over the previous biennium

1.52. The main shift in emphasis will be in terms of strengthening links with the outside world. This stems from the growing membership of the United Nations system in general and of UNIDO in particular, as well as the Organization's greater involvement with the private sector and its focus on improving institutional infrastructure which, of necessity, involves more ministries and authorities than those exclusively concerned with industry. At the same time, links within the United Nations system will be strengthened as a system-wide, multidisciplinary approach is adopted to basic developmental problems, thus calling for more regular consultations between the agencies and organizations involved.

1.53. In programmatic terms, the configuration of the programme has changed with the transfer of the subprogramme Secretariat of Policy-making Organs (111) to the new programme Policy-making Organs (110). In resource terms, the requirements are lower than the base level established in the previous biennium. Details of specific resource variations are given at the subprogramme level.

Major Programme: 100 POLICY-MAKING ORGANS, EXTERNAL RELATIONS, PUBLIC INFORMATION, LANGUAGE AND DOCUMENTATION SERVICES
Programme: 130 External Relations
Subprogramme: 131 External Liaison and Protocol

1994-1995 resource requirements
(In thousands of dollars, at 1993 rates)

Regular and operational budgets

	Staff Prof. wy/ms	Staff GS/Other wy/ms	Cost	Consult.	Meetings	Travel	Other	Total	Previous biennium 1992-1993
RB	6/0	10/0	1,149.2	0.0	0.0	17.3	18.6	1,185.1	1,130.7
OB	0/0	0/0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total	6/0	10/0	1,149.2	0.0	0.0	17.3	18.6	1,185.1	1,130.7

Subprogramme description

Introduction

1.54. The subprogramme is responsible for the external liaison activities of UNIDO which cover relations with Governments, governmental and intergovernmental organizations and organs, organizations and specialized agencies within the United Nations system. In carrying out that function, the subprogramme ensures that appropriate emphasis is placed on increasing awareness of the manner in which the Organization approaches the problems of promoting and accelerating industrial development in a rapidly changing global environment and addresses the main priorities set in the medium-term plan.

Problems addressed

1.55. Support, both financial and political, on the part of Member States is essential to the success of the Organization. Similarly, securement of the cooperation of other agencies and organizations adds to the impetus of the Organization's activities. Thus, ensuring effective cooperation and coordination between UNIDO and Member Governments, governmental and intergovernmental organizations, as well as United Nations organs, organizations and specialized agencies and overcoming the associate logistical problems not only heightens the developmental effectiveness of UNIDO, but also enhances the central coordinating role of UNIDO in the field of industrial development within the United Nations system.

Objectives

1.56. The basic objective is to ensure and maintain effective close liaison with Member States, directly or through their representatives accredited to UNIDO, governmental and intergovernmental organizations and organs, organizations and specialized agencies within the United Nations system. The subprogramme keeps the Organization permanently informed of the official positions of Member States, as well as of the policies and activities of other organizations in the United Nations system. It also keeps Member States and those organizations informed of the operations and activities of UNIDO, with due emphasis on the priorities set in the medium-term plan, so as to ensure complementarity of action and avoid duplication, while safeguarding the area of competence of the Organization.

Output and activities

1.57. The subprogramme acts as reference point for communications with Governments, governmental and intergovernmental organizations, as well as with United Nations organs, organizations and specialized agencies. It liaises with the host Government, and drafts and negotiates cooperation agreements with governmental and intergovernmental organizations, as well as with United Nations organizations and agencies. A major feature of its activities is the coordination of the activities of the joint programmes and similar cooperation arrangements established with Member States in specific branches of industry, including preparation of and participation in the annual meetings of the related joint committees. The output of that activity is a series of joint cooperation programmes with a number of Governments, for the most part in eastern and central Europe. The subprogramme also coordinates the organization of the Director-General's official visits, as well as high-level visits to Headquarters.

1.58. The subprogramme ensures the coordination of UNIDO activities with those of other United Nations organizations and specialized agencies and prepares UNIDO contributions to reports at their requests. It also represents UNIDO at inter-agency meetings as required and monitors follow-up to resolutions of the General Assembly and the Economic and Social Council, collating and disseminating information from the United Nations system on matters of interest to UNIDO. It also carries out all protocol-related activities, including the accreditation of members of Permanent Missions, authorization of privileges and issuance of the Directory of Permanent Missions.

Coordination

1.59. Internal coordination is maintained with the Office of the Director-General and all substantive units. External coordination is maintained with the permanent missions, ministries, governmental and intergovernmental organizations and counterparts in the United Nations organs, organizations and specialized agencies. In certain instances, special working committees have been established in addition to the standard channels of communication.

Resource requirements

1.60. The staff resources are subject to increase given the proposal to reclassify two posts from P-3 to P-4 level ($54,400) so as to reflect the increased responsibilities that have devolved on the incumbents following the increase in membership and the level of liaison maintained. The associated cost of these upgradings and others in the major programme have been offset by the abolition of the D-1 post in subprogramme 141.

1.61. The subprogramme also requires resources in two other specific areas: travel and printing. The travel requirements ($17,300) equivalent to the previous biennial allocation are directly related to the number of joint committee meetings with United Nations agencies/organizations devoted to developing joint programmes. This will necessitate travel to the seats of other United Nations agencies/organizations, primarily in Geneva, Rome and Paris. Provision will also have to be made, as in previous bienniums, for travel to those countries with which UNIDO likewise draws up joint cooperation programmes. Printing resources ($18,600) equivalent to the previous biennial allocation will be required to cover the cost of printing and regularly updating the Directory of Permanent Missions.

Resource increases/decreases

1.62. The regular budget shows an increase ($54,400) which is directly related to upgrading two P-3 posts to the P-4 level.

Major Programme: 100 POLICY-MAKING ORGANS, EXTERNAL RELATIONS, PUBLIC INFORMATION,
LANGUAGE AND DOCUMENTATION SERVICES
Programme: 130 External Relations
Subprogramme: 132 UNIDO Office at New York

1994-1995 resource requirements
(In thousands of dollars, at 1993 rates)

Regular and operational budgets

	Staff Prof. wy/ms	Staff GS/Other wy/ms	Cost	Consult.	Meetings	Travel	Other	Total	Previous biennium 1992-1993
RB	6/0	6/4	965.5	0.0	0.0	55.2	322.5	1,343.2	1,313.0
OB	0/0	0/0	0.0	0.0	0.0	0.0	0.0	0.0	30.2
Total	6/0	6/4	965.5	0.0	0.0	55.2	322.5	1,343.2	1,343.2

Subprogramme description

Introduction

1.63. This subprogrammme provides for close liaison with the principal organs of the United Nations and other United Nations system organizations in New York as well as with those permanent missions not represented in Vienna or Geneva. The subprogramme also maintains close liaison with the United States government officials and decision makers, in addition to it developing and maintaining high-level contacts with organizations in North America, including government agencies and international financial institutions, e.g. the World Bank, the International Monetary Fund, academic and business groups and non-governmental organizations.

Problems addressed

1.64. The supply of information both within the United Nations system and without is a two-way process involving not only the provision of information to other organizations and agencies on the policies and activities of the base organization, but also the securement of information on the activities and policies of those other organizations that are likely to influence UNIDO activities. The difficulties of this function are compounded by such factors as extended lines of communication, multiplicity of organizations in different locations and the large number of meetings. Against this background, the subprogramme has to provide effective analysis of the activities not only of the major organizations in New York such as UNDP, but also of those in Washington D.C. such as the World Bank, in addition to monitoring the workings of Governments in North America in so far as they apply to UNIDO.

Objectives

1.65. The basic objective of the subprogramme is to provide UNIDO with an effective channel of communication in its dealings with the principal organs of the United Nations and other United Nations bodies in both New York and Washington D.C. It also endeavours to maintain close contact with officials and decision makers in the United States and Canada so as to create greater awareness of the role of UNIDO and ensure that the interests and experience of UNIDO are taken into account by policy makers in the respective administrations. It ascertains the interest of business and academic groups in North America with the aim of establishing close ties with UNIDO in new innovative areas of technical cooperation. It also provides appropriate support services to staff from Headquarters during sessions of the General Assembly and committee meetings.

Output and activities

1.66. In conducting its activities, prime importance is attached to providing UNIDO Headquarters promptly and continuously with information on developments in the United Nations and other United Nations bodies as well as other events in North America that are likely to exert an influence on the activities of UNIDO. The subprogramme closely coordinates with those Member States of UNIDO which maintain representations in New York, but do not have permanent representatives accredited to UNIDO. Similarly, particular emphasis is placed on the speedy transmittal of information from UNIDO Headquarters to the various bodies and organizations, both intergovernmental and non-governmental, in New York and Washington D.C., and elsewhere in North America. The subprogramme is also responsible for representing UNIDO at meetings of the principal organs of the United Nations and informing UNIDO Headquarters of the outcome of those meetings. It is also responsible for ensuring the effective participation of UNIDO in meetings organized by UNDP, and other intergovernmental and non-governmental organizations in North America, to which it presents the policies of the Organization on specific issues and arranges the follow-up to such meetings.

Coordination

1.67. By virtue of its liaison function, the subprogramme maintains close links with the United States and Canadian Governments, permanent missions in New York, with the principal organs of the United Nations and other United Nations bodies such as the United Nations Development Programme, intergovernmental and non-governmental organizations in the area of its jurisdiction and maintains contacts with private sector and academic groups. It coordinates closely with the UNIDO Office at Geneva. It also maintains close ties with UNIDO Headquarters through the External Relations Division.

Resource requirements

1.68. The resource requirements relate to areas of logistical and support functions. The general temporary assistance requirement ($4,000) stems from the need to have adequate secretarial support for the office staff attending the sessions of the General Assembly, immediately after which summaries and requests for consultations/information have to be transmitted to Headquarters in Vienna. In the light of the new duties and responsibilities assigned to the office aimed at establishing a close working relationship with officials and decision makers in the United States and Canada, the Director of the UNIDO Office at New York will be required to visit the capitals of both countries. Depending on the availability of funds, the Director of the Office or his deputy may also be required to attend sessions of the Programme and Budget Committee and Industrial Development Board as well as the General Conference, held at Headquarters. The anticipated travel obligations have been included under the regular budget ($55,200). The overtime requirement ($4,500) stems from the need to ensure full coverage and appropriate service for the numerous visits by UNIDO Headquarters staff to the UNIDO Office at New York. The rental and maintenance costs ($265,200) together with external printing and binding costs ($2,000) have been kept at the same level as the previous biennium. The decrease of $4,000 in communication requirements (totalling $36,100) reflects the increased cost-effectiveness of communication via facsimile. The request for hospitality ($4,300) reflects the extensive contacts that the Office maintains with government authorities. The request for supplies and materials ($14,900) reflects the need to provide effective back-up to the personal computers now installed in the office (viz. software and material requirements), and also to secure subscriptions to journals and other publications of pertinence to industrial development, to which the staff should have access.

1.69. The costs shown under "Other" are detailed as follows:

Subprogramme 132: "Other" costs
(In thousands of dollars, at 1993 rates)

External printing and binding	2.0
Rental and maintenance of premises	265.2
Communications	36.1
Hospitality	4.3
Supplies and materials	14.9
Total	322.5

Resource increases/decreases

1.70. The regular budget shows an increase of $30,200 and the operational budget a decrease of $30,200. This is due to a shift in travel funds from the operational to the regular budget as well as an increase in general temporary assistance ($4,000) which, however, is offset by a decrease in communications by the same amount.

Major Programme: 100 POLICY-MAKING ORGANS, EXTERNAL RELATIONS, PUBLIC INFORMATION, LANGUAGE AND DOCUMENTATION SERVICES
Programme: 130 External Relations
Subprogramme: 133 UNIDO Office at Geneva

1994-1995 resource requirements
(In thousands of dollars, at 1993 rates)

Regular and operational budgets

	Staff Prof. wy/ms	GS/Other wy/ms	Cost	Consult.	Meetings	Travel	Other	Total	Previous biennium 1992-1993
RB	4/0	2/2	554.6	0.0	0.0	12.0	142.3	708.9	812.5
OB	0/0	0/0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total	4/0	2/2	554.6	0.0	0.0	12.0	142.3	708.9	812.5

Subprogramme description

Introduction

1.71. As the extended arm of UNIDO in Geneva, which is the second most important duty station after New York, the subprogramme provides for close liaison with the United Nations system organizations, intergovernmental and non-governmental organizations having consultative or observer status with UNIDO, as well as with those permanent missions not represented in Vienna. The latter contacts are particularly important as they relate to 21 Governments from Africa, Asia, the Americas and the Middle East, a large number of which are least developed countries. The subprogramme also seeks to secure the support for UNIDO programmes and activities of the industrial, financial and academic communities, and other relevant public and private institutions in Switzerland.

Problems addressed

1.72. Establishing and maintaining good contacts with missions and other economic operators is a demanding undertaking; once established, they facilitate the task of UNIDO. In Geneva, this task takes on a particular dimension, given the large number of permanent missions as well as the comparably large number of United Nations specialized agencies and bodies based there, each of which has its autonomous governing body, methods of operation and rules of procedure. Against this background, improving coordination at the policy, programme and specific activity level is a matter requiring particular attention as a number of the activities are closely related to those of UNIDO and transcend organizational mandates. The UNIDO Office thus has to take on a programme analysis function, identifying potential overlaps and ensuring appropriate responses on the part of UNIDO, in addition to ensuring effective participation in a large number of meetings.

Objectives

1.73. The basic objective of the subprogramme is to improve coordination between UNIDO and the specialized agencies and bodies of the United Nations system based in Geneva, ensure effective representation of UNIDO in the policy-making organs of those bodies and participate in their technical and functional meetings, stimulate programmes and activities to enhance the efficacy of inter-agency cooperation and respond better to the evolving needs of the developing countries.

1.74. It also aims at providing UNIDO with an effective channel of communication, serving as a catalyst for selected activities with those Member States accredited to UNIDO through their permanent missions based in Geneva and establishing ties with intergovernmental and non-governmental organizations, as well as with industrial, financial, research, training and academic institutions in Switzerland.

Output and activities

1.75. The subprogramme's wide-ranging activities involve examining possibilities for fostering an environment conducive to inter-agency cooperation, serving as a catalyst or stimulator for the promotion of specific multisectoral or multidisciplinary inter-agency activities, keeping abreast of policies, programmes and activities, as well as providing an all-service support function to various departments at UNIDO Headquarters.

1.76. In conducting its activities, prime importance is attached to providing Headquarters promptly and continously with information on developments in Geneva that are likely to exert an influence on the activities of UNIDO. This entails maintaining a direct and effective channel of communication with the 21 Member States accredited to UNIDO with missions in Geneva. It also entails maintaining regular and continuous contacts with intergovernmental and non-governmental organizations, as well as with the industrial, financial and academic communities, and other public and private institutions in Switzerland, providing them with information on the Organization and encouraging their full participation in and association with the programmes and activities of UNIDO.

1.77. Improving cooperation with the specialized agencies and bodies of the United Nations system at the policy and programme level involves the maintenance of contacts at the policy-making and operational levels, attendance at relevant meetings (both political and technical), provision of information and examination of possibilities for multisectoral or multidisciplinary activities, as well as promotion of specific programmes and activities conducive to cooperation.

1.78. The subprogramme lends support to the Departments and branches of UNIDO by analysing the various agencies' programmes, reviewing the programmes submitted to their governing bodies, identifying activities which could lend themselves to cooperation, complementarity or harmonization, collecting and disseminating information, and promoting new initiatives. It also prepares for the participation of specialists from Headquarters in meetings of direct interest to UNIDO, and draws their attention to studies or reports which relate directly or indirectly to the work of the Organization.

Coordination

1.79. By virtue of its function, the subprogramme maintains close links with all Permanent Missions, United Nations agencies, and intergovernmental and non-governmental organizations in the area of its jurisdiction. It coordinates closely with the UNIDO Office at New York. It also maintains close ties with UNIDO Headquarters through the External Relations Division.

Resource requirements

1.80. For reasons of programme economy, the staff resources have been reduced by one GS post ($103,600); the post has been redeployed to subprogramme 150. At the same time, general temporary assistance ($10,000) will be required so as to have adequate secretarial support for the Office in replacement of the sole General Service staff member when on annual or extended sick leave. The travel resources ($12,000) are required to ensure that staff attached to the Office are able to cover meetings in neighbouring countries. At the same time, it is essential that the Director of the Office be enabled to attend the regular sessions of the UNIDO policy-making organs. The rental and maintenance costs, communication costs and supplies and materials requirements and hospitality costs have been kept at the same level as in the previous biennium. The latter item is essential to the maintenance of close and intensive contacts with the missions in Geneva which have to be kept abreast of developments in UNIDO and from which opinion must be sought on both policy and operational matters.

1.81. The costs shown under "Other" are detailed as follows:

Subprogramme 133: "Other" costs
(In thousands of dollars, at 1993 rates)

Rental and maintenance of premises	110.4
Communication	24.2
Hospitality	4.3
Supplies and materials	3.4
Total	142.3

Resource increases/decreases

1.82. The regular budget shows a decrease of $103,600. This is due to the redeployment of one GS post, while the general temporary assistance requirement ($10,000) has been met by reducing travel by the same amount.

Major Programme: 100 POLICY-MAKING ORGANS, EXTERNAL RELATIONS, PUBLIC INFORMATION, LANGUAGE AND DOCUMENTATION SERVICES
Programme: 130 External Relations
Subprogramme: 134 Office of the Director

1994-1995 resource requirements
(In thousands of dollars, at 1993 rates)

Regular and operational budgets

	Staff								
	Prof. wy/ms	GS/Other wy/ms	Cost	Consult.	Meetings	Travel	Other	Total	Previous biennium 1992-1993
RB	2/0	2/0	345.2	0.0	0.0	15.0	0.0	360.2	367.2
OB	0/0	0/0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total	2/0	2/0	345.2	0.0	0.0	15.0	0.0	360.2	367.2

Subprogramme description

Introduction

1.83. The subprogramme is responsible for ensuring the overall management of the three component units of the External Relations Division, (131 External Liaison and Protocol, 132 UNIDO Office at New York and 133 UNIDO Office at Geneva) as well as monitoring the establishment and/or reactivation of National Committees for UNIDO.

Problems addressed

1.84. The major problem is to ensure the smooth, trouble-free operation of the Division in an environment characterized by an increasing workload without a corresponding increase in staff and other resources. With the increase in the number of sessions of the policy-making organs and the ever-increasing demand on the services of the UNIDO Offices, not only on the part of the growing number of Member States but also on the part of non-governmental bodies and private sector enterprises, the over-extension of the Division's limited resources becomes apparent. At the same time, the projection of a better image of the Organization and creation of enhanced awareness of its activities demand that innovative channels of communication be tested - thus the reactivation of the National Committees in situ in the Member States, numbering no less than 63 to date, takes on particular significance.

Objectives

1.85. The main objective of the subprogramme is to supervise and provide general policy guidelines for the component units, contributing to closer liaison with Member States, United Nations organizations, specialized and related agencies as well as intergovernmental organizations, and advising on the more effective incorporation of the National Committees for UNIDO in the Organization's policy-making processes and industrial cooperation activities.

Output and activities

1.86. In supervising the substantive work of its component units, the subprogramme advises on matters related to liaison with Member States directly or through their representatives accredited to UNIDO. It also contributes to the coordination of UNIDO activities with those of the United Nations organizations and represents UNIDO, as appropriate, at inter-agency meetings. It ensures better cooperation between UNIDO Headquarters and the UNIDO Offices at New York and Geneva and contributes to increased public awareness of UNIDO by establishing, through the New York and Geneva Offices, contacts and strengthening relations with the public and private sectors, financial institutions, universities and research institutes. It also supervises the protocol and ceremonial functions. It maintains contacts with governmental and intergovernmental organizations and provides policy guidelines in drafting and negotiating cooperation agreements with them. It also assists in establishing or re-activating National Committees for UNIDO, organizing regional meetings for the same every two years, should extrabudgetary funds permit.

Coordination

1.87. The subprogramme maintains contacts with permanent representatives of Member States, United Nations organizations and specialized agencies, governmental and intergovernmental organizations as well as with all relevant major programmes, programmes and subprogrammes of UNIDO.

Resource requirements

1.88. Over and above the staff resources, provision has been made, at a level commensurate with actual outlays in the previous biennium, for travel to meetings of agencies in the United Nations system and for travel on official missions headed by the Director-General to Member States ($15,000).

Resource increases/decreases

1.89. The regular budget shows a decrease of $7,000 related exclusively to the decrease in travel resources by that amount.

Major Programme: 100 POLICY-MAKING ORGANS, EXTERNAL RELATIONS, PUBLIC INFORMATION, LANGUAGE AND DOCUMENTATION SERVICES
Programme: 140 Languages and Documentation

1994-1995 resource requirements
(In thousands of dollars, at 1993 rates)

Regular and operational budgets

	Staff								Previous
	Prof. wy/ms	GS/Other wy/ms	Cost	Consult.	Meetings	Travel	Other	Total	biennium 1992-1993
RB gross	106/8	160/10	18,626.8	21.4	0.0	37.5	1,777.3	20,463.0	20,000.6
RB income			3,061.1	12.5	0.0	20.1	3.0	3,096.7	3,200.4
RB net	106/8	160/10	15,565.7	8.9	0.0	17.4	1,774.3	17,366.3	16,800.2
OB	0/0	0/0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total	106/8	160/10	15,565.7	8.9	0.0	17.4	1,774.3	17,366.3	16,800.2

By subprogramme

	Staff								Previous
	Prof. wy/ms	GS/Other wy/ms	Cost	Consult.	Meetings	Travel	Other	Total	biennium 1992-1993
141 Translation									
Gross	72/8	76/6	10,991.6	0.0	0.0	11.0	224.1	11,226.7	11,495.1
Income			486.1	0.0	0.0	6.6	0.0	492.7	655.1
Net	72/8	76/6	10,505.5	0.0	0.0	4.4	224.1	10,734.0	10,840.0
142 Editorial Control and Publications									
Gross	30/0	68/0	6,291.7	0.0	0.0	5.5	607.3	6,904.5	6,304.5
Income			2,193.4	0.0	0.0	2.2	3.0	2,198.6	2,198.5
Net	30/0	68/0	4,098.3	0.0	0.0	3.3	604.3	4,705.9	4,106.0
143 Documents Control									
Gross	2/0	12/2	888.3	0.0	0.0	4.4	0.0	892.7	761.9
Income			145.1	0.0	0.0	1.6	0.0	146.7	68.1
Net	2/0	12/2	743.2	0.0	0.0	2.8	0.0	746.0	673.8
144 Office of the Director									
Gross	2/0	4/2	455.2	21.4	0.0	16.6	945.9	1,439.1	1,439.1
Income			236.5	12.5	0.0	9.7	0.0	258.7	258.7
Net	2/0	4/2	218.7	8.9	0.0	6.9	945.9	1,180.4	1,180.4
Total	106/8	160/10	15,565.7	8.9	0.0	17.4	1,774.3	17,366.3	16,800.2

Programme description

Development objectives

1.90. By providing translation, editorial, printing and other documentation services, the programme renders indispensable functional support to UNIDO policy-making organs and substantive offices directly involved in achieving development objectives. Similar documentation services are rendered to UNOV and United Nations meetings/conferences held in Vienna and elsewhere.

Relationship to medium-term plan priorities

1.91. By striving to seek the improvement of services provided, the programme contributes to the increased efficiency of the Organization and to the formulation of an effective response to the priority problem areas identified in the medium-term plan.

New features

1.92. The programme's overall workload is expected to grow by 5 to 6 per cent in comparison with the previous biennium. The programme will achieve a more effective use of resources through the streamlined management and the integrated use of computerization and office automation matched by training, accompanied by the enhancement of documents control and careful monitoring of the production process, with particular emphasis being placed on cost-effectiveness.

Variation over the previous biennium

1.93. No major variations over the previous biennium are envisaged in terms of resource requirements (except for the inclusion of reproduction equipment) given that negotiations on the status of the United Nations/UNIDO joint language and documentation services are in progress and might well lead to a complete reconfiguration of the service. Additional costs arising out of a set of administrative realignment measures are more than offset by the economies secured by phasing out a D-1 post in subprogramme 141, Translation. Details of changes in resource requirements are given at the subprogramme level.

Major Programme: 100 POLICY-MAKING ORGANS, EXTERNAL RELATIONS, PUBLIC INFORMATION, LANGUAGE AND DOCUMENTATION SERVICES
Programme: 140 Languages and Documentation
Subprogramme: 141 Translation

1994-1995 resource requirements
(In thousands of dollars, at 1993 rates)

Regular and operational budgets

	Staff								
	Prof. wy/ms	GS/Other wy/ms	Cost	Consult.	Meetings	Travel	Other	Total	Previous biennium 1992-1993
RB gross	72/8	76/6	10,991.6	0.0	0.0	11.0	224.1	11,226.7	11,495.1
RB income			486.1	0.0	0.0	6.6	0.0	492.7	655.1
RB net	72/8	76/6	10,505.5	0.0	0.0	4.4	224.1	10,734.0	10,840.0
OB	0/0	0/0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total	72/8	76/6	10,505.5	0.0	0.0	4.4	224.1	10,734.0	10,840.0

Subprogramme description

Introduction

1.94. The subprogramme comprises the organizational units concerned with the translation and revision of reports, publications, newsletters and information bulletins, documents, official correspondence and other texts, as required, into the six official languages with the provision of terminology and reference services and of correspondence services, as well as with the planning and supervision of those language-related services which are provided to UNIDO and the United Nations bodies located in Vienna that are entitled to them. The cost of the subprogramme is shared by UNIDO and the United Nations according to the volume of work performed for each Organization.

Problems addressed

1.95. The problems associated with the effective and cost-efficient provision of translation services are not restricted to questions of linguistic accuracy, but they include the management of a mass of incoming material from a number of different bodies with conflicting requirements, necessitating the contracting of external translators and other short-term reinforcements during peak periods, especially during sessions of the various legislative bodies.

Objectives

1.96. The primary objective is to enhance effectiveness and cost-efficiency of the subprogramme through enhanced coordination with and support from Documents Control (subprogramme 143), a more rational utilization of staff resources and systems and an expansion of database services, as well as through further streamlining of administration processes.

Output and activities

1.97. With two major United Nations conferences planned for the biennium, the Ninth United Nations Congress on the Prevention of Crime and Treatment of Offenders and the Fourth World Conference on Women, the subprogramme's output is expected to increase by 7 to 8 per cent for both UNIDO and the United Nations. It will also prepare summary records for all meetings of the General Conference, the Industrial Development Board and for United Nations conferences entitled to such services that may be held in Vienna.

Coordination

1.98. Coordination within the Organization is effected through Documents Control (subprogramme 143), particularly close ties being maintained with the Secretariat of Policy-making Organs (subprogramme 111) in view of the extensive amount of pre-session and in-session documentation related to the meetings of the legislative bodies. Close ties are also maintained with the United Nations Meetings Planning and Interpretation Service.

Resource requirements

1.99. Staff resources have been subject to change. The post of Head, Translation Service is to be abolished as of 1 January 1995 and greater cost-efficiency achieved through realignment. The post's functions will be distributed among the Language Sections, Documents Control and the Office of the Director, while other functional adjustments will be made throughout the programme to improve efficiency and effectiveness. It is also proposed to upgrade two translator posts from P-2 to P-3. The two posts were previously used to accommodate graduates from the United Nations-supported translators training programmes. With the discontinuation of those programmes, all translators in future will be assigned from United Nations Headquarters or other duty stations at the P-3 level. One GS post will be redeployed from the Office of the Head, Translation, to subprogramme 143, Documents Control to assume specific forecasting/monitoring functions.

1.100. The temporary assistance requirements are at the same level as in the previous biennium ($86,400). The primary requirement relates to the need to replace staff assigned to servicing meetings away from Headquarters.

1.101. In the course of the biennium, language staff will be required to travel to the 1994 United Nations inter-agency meeting on language, documentation and publications. It is estimated that the requirements will be comparable to those of the previous biennium ($11,000).

1.102. The requirements under other contractual services ($224,100) which are used to fund external translation and typing services will remain at the same level as in the previous biennium.

Resource increases/decreases

1.103. The regular budget shows a decrease of $268,400. This is the outcome of abolishing the D-1 post (-$241,600), redeploying one GS post (-$103,600) to subprogramme 143, Documents Control and upgrading two P-2 posts to level P-3 ($76,800).

Major Programme: 100 POLICY-MAKING ORGANS, EXTERNAL RELATIONS, PUBLIC INFORMATION, LANGUAGE AND DOCUMENTATION SERVICES
Programme: 140 Languages and Documentation
Subprogramme: 142 Editorial Control and Publications

1994-1995 resource requirements
(In thousands of dollars, at 1993 rates)

Regular and operational budgets

	Staff Prof. wy/ms	Staff GS/Other wy/ms	Cost	Consult.	Meetings	Travel	Other	Total	Previous biennium 1992-1993
RB gross	30/0	68/0	6,291.7	0.0	0.0	5.5	607.3	6,904.5	6,304.5
RB income			2,193.4	0.0	0.0	2.2	3.0	2,198.6	2,198.5
RB net	30/0	68/0	4,098.3	0.0	0.0	3.3	604.3	4,705.9	4,106.0
OB	0/0	0/0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total	30/0	68/0	4,098.3	0.0	0.0	3.3	604.3	4,705.9	4,106.0

Subprogramme description

Introduction

1.104. The subprogramme is responsible for executing the publications and documents programme of UNIDO by providing: (a) editing, typesetting, reproduction and distribution of an extensive range of printed matter and (b) reproduction and distribution for meetings. Similar services are provided in respect of all Vienna-based United Nations units and meetings. The subprogramme is also involved in ensuring adherence to UNIDO publishing policy and standards, in negotiating co-publishing agreements with commercial publishers, in promoting the sale of UNIDO publications, and in determining the most cost-effective configuration for the photocopying facilities. The cost of the subprogramme is shared by UNIDO and United Nations according to the volume of work performed by each organization.

Problems addressed

1.105. The major problems facing editorial control are in overcoming the constraints related to quantity and timeliness of input from other UNIDO major programmes and United Nations units, as well as to inadequate staffing structure and outdated equipment. A further problem relates to the shortage of experienced conference editors which has a negative effect on the subprogramme's ability to cope with the workload normally required of it.

Objectives

1.106. The primary objective is to ensure effective and cost-efficient editorial control and publication services through enhanced coordination support from Documents Control (subprogramme 143) and introduction of advanced equipment.

Output and activities

1.107. With no significant changes in output over the previous biennium, it is estimated that the subprogramme will edit some 8.0 million words and prepare 15,000 camera-ready pages.

1.108. While continuing to provide the services referred to in paragraph 1.104 above, the subprogramme will concentrate on finding new ways of providing them as cost-effectively as possible. This will be accomplished through expanding the already considerable co-publishing activities and exploring possibilities for the more economic production of publications outside this category.

Coordination

1.109. Coordination with the substantive units in the Organization and with the United Nations Vienna-based bodies is effected and will be enhanced through Documents Control (subprogramme 143), while contacts on matters relating to publication policy and system-wide practices are maintained with United Nations Headquarters.

Resource requirements

1.110. Staff resources show no growth.

1.111. Travel resources ($5,500) are required to enable the subprogramme manager (who is designated representative of UNIDO in co-publishing matters) to attend the United Nations inter-agency meeting on language, documentation and publications in 1994 and visit book fairs. Co-publishing now constitutes a major and rapidly growing activity in UNIDO and a very considerable part of the workload of the Programme Manager. While contacts with international publishers and the United Nations Sales are followed up in Frankfurt, the London book fair is seen as essential as, so far, all English-language books have been co-published with British publishers. Additional travel funds might be sought from extrabudgetary sources or income derived from the sale of publications to permit attendance at the new book and printing fairs at Prague and Warsaw to investigate (and follow up on initiatives already undertaken by the subprogramme manager) possibilities for having printing done in Eastern Europe. Considerable savings would be made by taking advantage of the much lower rates available in easy-to-reach neighbouring capitals. Travel resources have been kept at the same level as the previous biennium.

1.112. Other resource requirements relate to: (a) overtime ($4,500), the same level as the previous biennium, to cover the additional input to meet peak workloads that arise out of the need to ensure the timely issuance of documents prior to major meetings or on other important occasions; (b) joint printing ($7,300) which have been kept at the same base as in the previous biennium; and (c) rental and maintenance of photocopying equipment ($600,000) to cover the estimated photocopying load of some 50 million page impressions using the photocopiers installed throughout the Organization.

Resource increases/decreases

1.113. The regular budget shows an increase of $600,000 solely related to the rental and maintenance of photocopying equipment ($600,000) for the Organization as a whole.

Major Programme: 100 POLICY-MAKING ORGANS, EXTERNAL RELATIONS, PUBLIC INFORMATION, LANGUAGE AND DOCUMENTATION SERVICES
Programme: 140 Languages and Documentation
Subprogramme: 143 Documents Control

1994-1995 resource requirements
(In thousands of dollars, at 1993 rates)

Regular and operational budgets

	Staff Prof. wy/ms	Staff GS/Other wy/ms	Cost	Consult.	Meetings	Travel	Other	Total	Previous biennium 1992-1993
RB gross	2/0	12/2	888.3	0.0	0.0	4.4	0.0	892.7	761.9
RB income			145.1	0.0	0.0	1.6	0.0	146.7	88.1
RB net	2/0	12/2	743.2	0.0	0.0	2.8	0.0	746.0	673.8
OB	0/0	0/0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total	2/0	12/2	743.2	0.0	0.0	2.8	0.0	746.0	673.8

Subprogramme description

Introduction

1.114. The subprogramme is responsible for coordinating the processing, in conformity with existing regulations and authorized publication programmes, all requests for publications, documents, forms, promotional material, letters, etc., in respect of editing, referencing, translation, typing, graphic presentation, composition, reproduction and distribution. Those services are provided for UNIDO as well as all Vienna-based United Nations units and meetings. The cost of the subprogramme is shared by UNIDO and United Nations according to the volume of work performed for each organization.

Problems addressed

1.115. The main problems associated with the subprogramme are those of ensuring efficiency and a smooth flow of work through the various production units as well as cost-effectiveness, when faced with a broad range of often conflicting demands from different units in different organizations.

Objectives

1.116. The primary objective is to develop the subprogramme into an efficient centre for planning, distributing, coordinating, monitoring and assessing the production of the programme as a whole and for coordinating the workflow with other offices of UNIDO and various United Nations bodies. That objective calls for an advanced computerized management information system and gradual transformation of the Unit's configuration.

Output and activities

1.117. The subprogramme is expected to monitor and coordinate a throughput which represents an increase of 2 per cent over the previous biennium. This increase will be accommodated essentially within existing staff resources by improving the monitoring, projecting, adjusting and controlling of the overall flow of documentation.

Coordination

1.118. Close and active coordination is maintained with all UNIDO offices, other subprogrammes in the Languages and Documentation programme (140), the common printing service of IAEA, as well as with United Nations Headquarters and the United Nations Offices in Vienna and Geneva, as required.

Resource requirements

1.119. Staff resources show growth as a result of upgrading the post of Chief, Documents Control, to P-4 ($27,200) and redeploying one GS post ($103,600) from the Office of the Head, Translation, in connection with the abolition of the D-1 post.

1.120. Upgrading the post of Chief, Documents Control, to P-4 reflects the level of newly assumed responsibilities and the expanded role of the Unit. They include: forecasting the workload of the Division, based on submissions; negotiating with submitting offices on all work submitted by UNIDO, UNOV and other United Nations duty stations on behalf of the Division; assigning work to and setting priorities for all processing units in the Division and taking decisions that affect those units; formulating and enforcing uniform rules where those do not exist (statistics, symbolization of documentation, presentation of documents) and interpreting or adapting rules on the control and limitation of documentation; developing and supervising the computerized Documents Control System, which produces the output statistics of the Division and serves as a basis for the assessment of Divisional performance (and is used by Financial Services to calculate cost-sharing and charging of printing costs); advising meeting/conference secretariats from Vienna and other duty stations on the document-processing capacity of all services; and coordinating the translation and printing of documents from/for other duty stations. One particularly sensitive aspect of the work is that of constantly adjusting priorities and negotiating deadlines with submitting offices to ensure that UNIDO and UNOV receive fair and equal treatment and efficient service. In addition to those services, the Documents Control Unit will have to assume part of the functions previously exercised by the Head, Translation Service, related to projecting, scheduling and monitoring production of translation sections and to providing the Director of the programme with recommendations on distributing the work to the translation sections.

1.121. The GS post from the Office of the Head, Translation, will fulfil forecasting/monitoring functions in Documents Control. The incumbent will be responsible for obtaining accurate forecasts from all submitting units in UNIDO and UNOV; screening all jobs submitted to the Unit to ascertain whether they have been forecast and do not exceed the length envisaged; and following up on jobs that have not been submitted. The incumbent will maintain a daily (computer-based) record of the current workload and staff on board in all units in the Division and, based on that information, make recommendations on processing deadlines. It is anticipated that the statistics generated through this post will be used by the Director to analyse and improve cost-effectiveness in the Division, leading to more effective free-lance recruitment and use of staff on board, and ultimately to substantial savings.

1.122. Travel funds ($4,400) are required to enable the Chief of the Unit to discuss in 1994 with United Nations Headquarters new approaches to documentation flow management, coordination of work distribution, advanced information, and share experience with counterparts and professional bodies, as well as attend the inter-agency meeting on language arrangements, documentation and publications in 1995. Travel resources are at the same level as in the previous biennium.

1.123. Overtime ($2,500) will once again be required to cover peak workloads, in particular before and during meetings of the legislative organs. Requirements have been kept at the same level as in the previous biennium. All other resource requirements are met on a central basis at the programme level.

Resource increases/decreases

1.124. Regular budget resources show a growth of $130,800 related to upgrading a P-3 post to P-4 ($27,200) and absorbing a GS post ($103,600) from subprogramme 141, Translation.

Major Programme: 100 POLICY-MAKING ORGANS, EXTERNAL RELATIONS, PUBLIC INFORMATION, LANGUAGE AND DOCUMENTATION SERVICES
Programme: 140 Languages and Documentation
Subprogramme: 144 Office of the Director

1994-1995 resource requirements
(In thousands of dollars, at 1993 rates)

Regular and operational budgets

	Staff Prof. wy/ms	Staff GS/Other wy/ms	Cost	Consult.	Meetings	Travel	Other	Total	Previous biennium 1992-1993
RB gross	2/0	4/2	455.2	21.4	0.0	16.6	945.9	1,439.1	1,439.1
RB income			236.5	12.5	0.0	9.7	0.0	258.7	258.7
RB net	2/0	4/2	218.7	8.9	0.0	6.9	945.9	1,180.4	1,180.4
OB	0/0	0/0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total	2/0	4/2	218.7	8.9	0.0	6.9	945.9	1,180.4	1,180.4

Subprogramme description

Introduction

1.125. The subprogramme is responsible for ensuring the overall management of the three subprogrammes within the Language and Documentation programme (Translation (141), Editorial Control and Publications (142) and Documents Control (143)) and their contribution to meeting the documentation processing requirements of both UNIDO and the Vienna-based United Nations bodies. The cost of the subprogramme is shared by UNIDO and United Nations according to the volume of work performed for each organization.

Problems addressed

1.126. The major problem is that of ensuring the smooth, timely, high-quality and cost-efficient operation of the language and documentation services in an environment characterized by an increasing workload with essentially the same resources.

Objectives

1.127. The objective of the subprogramme is to bring about, through improved management, the effective and cost-efficient work of the component units whose functions are essential to the work of the Organization.

Output and activities

1.128. The subprogramme organizes, coordinates, controls, reviews and evaluates the performance of the other three subprogrammes. In addition, it will assume the direct overall responsibility for running subprogramme 141 (Translation) midway through the biennium following the realignment of that service upon the departure of its Head. To that end, in the course of the biennium, it will ensure the effective coordination and matching of inputs from the component units.

Coordination

1.129. The subprogramme maintains functional cooperation with all UNIDO organizational units at major programme, programme, and subprogramme levels, in matters relating to the production of documentation and publications, as well as with those units that provide administrative support. It also maintains active cooperation with United Nations Headquarters, UNOV and UNOG on matters related to documentation.

Resource requirements

1.130. Staff resources show no growth. Temporary assistance ($6,400) has been kept at the same level as in the previous biennium and will be required to ensure continuation of the specialized functions exercised by the administrative assistant and senior office automation clerk when the latter are on extended sick leave or maternity leave.

1.131. Consultancy services will be required at the same level as in the previous biennium ($21,400) to analyse the requirements and draw up a programme for extending the computerized system for forecasting, distributing and monitoring the programme's workload and assessing performance. The resultant streamlined work process will yield increased productivity. Furthermore, three days of consultancy from the Vienna School of Printing will be required to advise on the technical requirements of the printing unit. The total travel requirements ($16,600) are at the same level as in the previous biennium. They relate to: annual meeting of Directors of Conference Services, New York, November 1994 and 1995; discussion of common policies in conference servicing with UNOG, WHO and ILO at Geneva, 1994; and with UNESCO in Paris; and participation in the inter-agency meeting on language arrangements, documentation and publications in 1994 and 1995.

1.132. Resources ($209,900) are required for services related to the planning and servicing of meetings that are provided by UNOV for all UNIDO meetings, other than those of the policy-making organs which are shown under programme 110. The resource requirements have been kept at the same level as in the previous biennium. Similar to the meetings planning services, interpretation services are provided by UNOV to UNIDO meetings in Vienna and, on occasion, to UNIDO meetings held at other locations, other than those of the policy-making organs which are shown under programme 110. The resource requirements ($736,000) have been kept at the same level as in the previous biennium.

Resource increases/decreases

1.133. The regular budget shows no increase over the level of the previous biennium.

Major Programme: 100 POLICY-MAKING ORGANS, EXTERNAL RELATIONS, PUBLIC INFORMATION, LANGUAGE AND DOCUMENTATION SERVICES

Programme: 150 Public Relations and Information

1994-1995 resource requirements
(In thousands of dollars, at 1993 rates)

Regular and operational budgets

	Staff								
	Prof. wy/ms	GS/Other wy/ms	Cost	Consult.	Meetings	Travel	Other	Total	Previous biennium 1992-1993
RB	6/0	14/8	1,355.3	20.0	0.0	22.0	300.6	1,697.9	1,595.2
OB	0/0	0/0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Programme description

Development objectives

1.134. In the face of new challenges and a changing world environment, the development objectives of the programme are to promote the image and visibility of UNIDO in developed and developing countries, to make its activities widely known, and to interest Governments, donors and the private sector in supporting the work of UNIDO at all stages from policy-making to project/programme implementation and evaluation.

Relationship to medium-term plan priorities

1.135. The programme will focus on publicizing the priorities set in the medium-term plan by highlighting specific activities related to: (a) human resource development; (b) development and transfer of technology; (c) industrial rehabilitation and modernization; (d) small- and medium-scale industries; (e) environment and energy; as well as to the common themes of: (a) mobilization of financial resources, (b) economic cooperation among developing countries; (c) integration of women in industrial development.

New features

1.136. Emphasis will be put on strengthening the programme's publicity services to UNIDO by: (a) consolidating its staff and other resources; (b) coordinating all public information activities for the UNIDO Secretariat as a whole; (c) providing strategic support services to Divisions; (d) liaising regularly with established and new target groups; (e) designing new market-oriented strategies for promoting the services of UNIDO in developing and other countries.

1.137. A special attempt will be made to secure additional extrabudgetary resources to promote the Organization's image pro-actively through the distribution of printed material and audio-visual productions, as well as through vigorous representation at international events and close links with the news media, donors, Member States and other interested parties from the public and private sector. These resources will also be used to fund promotional campaigns and focused public affairs programmes.

1.138. The Chief of the programme has been designated spokesperson for the Organization, a position which will be instrumental in focusing attention on the contribution of UNIDO to industrial development and in establishing a closer interface between UNIDO, its partners and the public at large through the news media, non-governmental organizations and public- and private-sector organizations.

1.139. Despite the programme's modest staff and financial resources, a wider and more focused programme will be developed as this is of crucial importance to re-launching the image of UNIDO as a key player in the rapidly changing international scene. This will entail:

(a) Restructuring the programme and consolidating its work to match identified needs and goals and ensuring that the programme is visible and its staff approachable;

(b) Mobilizing extrabudgetary resources for specific assignments, primarily film projects, and making greater use of outside staff, either through interns or by securing additional staff from external sources of funding;

(c) Improving the advertising and exhibition designs and securing the sponsorship of industry and the private sector for specific promotional projects;

(d) Upgrading and expanding the film and radio facilities of the programme.

1.140. UNIDO film productions and its studio facilities are important showcases. They also offer the advantages of cost-effective shooting, full editing control and coverage of key events in the VIC environment. These advantages will be heightened by close cost-effective cooperation with other agencies in the United Nations system. Similarly, use of the radio studios will be maximized by introducing the production of regular features on UNIDO for transmission, by providing link-up services to broadcasting stations outside Austria and by offering services to Vienna/Austria-based radio journalists and stations (such as Blue Danube Radio, Vienna) to record programmes on the activities of UNIDO.

Problems addressed

1.141. The work of UNIDO is at the vortex of several key world issues, all of which are reflected in the priorities set in the medium-term plan. They range from ecologically sustainable industrial development and the transition from centrally planned to open market economies to the promotion of small- and medium-scale industries, the integration of women in industrial development, and the provision of continued support to industry in developing countries, as well as the rehabilitation and modernization of industry in other countries.

1.142. As the role of UNIDO shifts from being a traditional demand-driven technical assistance agency to that of a body providing essential advisory and other services requiring, inter alia, marketing expertise, it is essential that the Organization be seen to be at the cutting edge of industrial development. This visibility in both the public and private sector will help to underscore the unique role that UNIDO plays as an impartial catalytic body serving Government and industry alike and securing the broad participation of developing and other countries in the mainstream of international tecnological development.

1.143. A key element in this approach is the proposed restructuring of UNIDO in order to improve the effectiveness and efficiency of the Secretariat through structural reform and thus ensure effective and efficient assistance in the many areas of industrial development. The new biennium also marks the entry into office of a newly elected Director-General for whom a pro-active public affairs programme will be designed. All these factors call for a comprehensive public relations, information and press strategy for UNIDO.

1.144. Despite the importance of the role UNIDO plays in assisting developing countries in their industrial development endeavours and its record of successful programmes, the Organization's services, unfortunately, have not been recognized sufficiently. In order to redress this imbalance, particular emphasis will have to be placed on defining a consolidated corporate identity and creating a more pronounced public image for the Organization. This will call for public relations strategies to project the corporate identity and image of UNIDO and full recognition of the priority role of public relations and its multiplier effect in the UNIDO environment, as well as full acceptance of market-oriented public relations.

Objectives

1.145. Given the priority areas of the medium-term plan and within the framework of a vigorous public relations, information and press programme, the programme's main objectives for 1994-1995 are to: (a) define the corporate identity of UNIDO; (b) implement strategies to reach decision makers, donors, the media and the general public and keep them regularly informed of advances in the work of the Organization; (c) reinforce positive cooperation with UNIDO counterparts in the public and private sectors; (d) forge new areas for cooperation by reaching out to new target audiences and partners; (e) promote the programmes of UNIDO by means of pertinent marketing and communication tools; (f) monitor and follow relevant events and activities as well as track and evaluate news and current affairs; and (g) maintain liaison with the media, press and public relations offices of relevant organizations.

Output and activities

1.146. The outputs and activities are aimed at reaching key journalists, press attaches and public relations offices of relevant public and private sector organizations, including private companies, Governments, local governments, non-governmental organizations and the general public. The outputs and activities fall into two basic support categories, supplemented by two specific endeavours.

1.147. The first category relates to basic support services essential to any successful public information operation, the quality of which will be heightened throughout the biennium so as to increase impact and circulation. These encompass:

(a) Regular press releases, press briefings, press conferences, specialized media briefings, international media briefings in cooperation with other agencies, film screenings, special displays and the visitors' service;

(b) Public information material illustrating new developments in the activities of UNIDO, including UNIDO in Focus (a regular radio, TV and print feature series), printed output (such as UNIDO Update and brochures), radio and TV programmes and video spots as well as posters, photos and exhibitions;

(c) News monitoring services: news clippings, copies of video films and radio transcriptions.

1.148. The second category relates to basic support activities directed towards specific objectives, events or locations during the biennium. First and foremost among these will be the establishment of a high-level public affairs programme for the Director-General and senior officials to reach key groups, e.g. chambers of commerce, ministries, private sector officials, parliamentarians, editorial boards and prominent journalists. Other basic support activities include: (a) organizing consolidated media coverage, such as press conferences and public relations programmes at relevant world events (International Year of the Family and Fiftieth Anniversary of the United Nations), high-level forums (such as meetings of the World Economic Forum), conferences (such as the International Conference on Population and Development in 1994 and the World Conference on Women in 1995), and meetings located in Member States in cooperation with Governments, UNIDO Country Directors and active UNIDO national committees as appropriate; and (b) maintaining press and public relations liaison with relevant organizations, industries and Governments; maintaining close liaison with the Joint United Nations Information Committee (JUNIC), United Nations Information Centres, relevant media organizations and distribution networks (such as the international television market - MIPTV - at Cannes, documentary film festivals, broadcasting unions).

1.149. The above activities will be supplemented by two UNIDO-specific assignments:

(a) Preparation of a communications programme in support of the sixth session of the General Conference;

(b) Design and coordination of appropriate programme support activities for the substantive departments of UNIDO.

1.150. The latter activity is a new activity closely related to publicizing the impact of UNIDO programmes and projects in the field. Given the close link with project activities, it is proposed to finance the activity from extrabudgetary resources by making an appropriate provision in project funding.

Coordination

1.151. Successful achievement of the programme's objectives is contingent upon the establishment of effective channels of communications, both internally and externally.

1.152. Given the need to maintain close ties with the outside world, it follows that the programme will work closely with the External Relations programme in establishing close contacts with Governments. It will work with local focal points, particularly media contacts, to integrate the information activities of the Organization with those at the national levels. It will also work closely with the External Relations programme and other subprogrammes, such as Industrial Cooperation and Management Services and Industrial Enterprises and Non-governmental Organizations, in strengthening ties with other organizations in the United Nations system, intergovernmental and non-governmental organizations and private enterprises. The UNIDO spokesperson will act as the official information link between the Secretariat and the outside world in matters relating to the promotion of industrial development and other activities of the Organization.

1.153. Internal relations will be consolidated by regular back-up consultations with programme directors, by providing contributions to the UNIDO Newsletter, and through communications workshops for staff. All staff members will be encouraged to act as advocates of the Organization's objectives in accordance with the areas of responsibility. In order to ensure the smooth and efficient running of press and public relations, especially with regard to sensitive issues, and secure maximum benefit for the Organization in terms of publicity and visibility, all operational units will consult with the programme. The subprogramme will be responsible for coordinating all facets of press and publications work under the appropriate guidance of senior management.

1.154. The development of an appropriate public-information component in project support activities will call for close cooperation between the substantive subprogrammes involved and the programme. This communications component should be an integral part of all projects. It should be designed prior to the inception of the project and be closely coordinated with the public relations and information programme throughout the life of the project so as to ensure effective impact and maximum publicity at all stages of the project cycle.

Resource requirements

1.155. Staff resources show growth. It is proposed that a GS post ($103,600) be redeployed from subprogramme 133 to secure the services of an audio-visual cameraman/editor whose services hitherto have had to be retained under a series of different contracts. Redeployment of the post will help the programme achieve certain objectives at minimal additional cost: (a) it will reduce reliance on external contracting, which is not only more expensive, but also incurs the risk of losing editorial control and access to footage; (b) it will ensure full editorial control over all video material, which can then be produced exclusively to project the Organization's point of view without any loss of authenticity or risk of obfuscation; (c) it will contribute to the trouble-free operation to international audio-visual standards of the film studio and copying facilities of UNIDO; and (d) it will also enhance the provision of audio-visual services to the United Nations and the United Nations organizations based in Vienna, ensuring the coverage of key events, conferences and meetings at the Vienna International Centre, thus contributing to an improvement of the Organization's image within the common system.

1.156. As in the previous biennium, temporary assistance will be required to assist with the preparations for and provide clerical duties during the sixth session of the General Conference (two weeks), to assist with clerical work during the three sessions of the Industrial Development Board during the biennium (three weeks) as well as to provide for the replacement of staff on extended sick leave or maternity leave. A total of eight work months are proposed at a total cost of $23,800, reflecting a slight increase of $1,100.

1.157. Consultant resources ($20,000) will be required to secure services of consultants to: (a) undertake specific writing assignments for various printed output; (b) provide advisory services to the programme related to the design of exhibitions and displays; and (c) assist in the elaboration of publicity campaigns intended to project a fuller image of UNIDO, particularly among non-governmental organizations and the private sector.

1.158. Travel funds ($22,000) will cover the following activities: (a) travel related to the organization of consolidated media coverage ($4,500); (b) travel to organize major public affairs activities and attend world events ($6,500); (c) travel to ensure public relations and media coverage of special UNIDO events or conferences ($4,000); (d) travel to attend meetings organized by JUNIC ($4,000); and (e) other ad hoc travel on public information activities ($3,000).

1.159. The overtime requirement ($2,300), which represents a zero increase over the previous biennium, relates mostly to the additional input needed to meet peak workloads that occur in the periods leading up to major conferences or sessions of the policy-making organs that demand an appreciable increase in public information and public relations activities. Overtime services are also required in connection with audio-visual activities and press conferences that call for extensive preparation, often at very short notice.

1.160. Joint printing services ($92,500) will be required in order to secure the printing of UNIDO Update, brochures, posters, press releases, features and fact-sheets. External printing services ($38,300) will be needed to ensure the printing of the programme's output that cannot be accommodated under joint printing or which are too sophisticated for reproduction by the joint printing service.

1.161. Public information services ($107,100) will be required to cover the cost of audio-visual services and computer graphic studio work as well as footage purchases, vignettes, feature and interview clips. Public information supplies ($42,800) will be needed to secure the purchase of audio-visual tape and film material (professional broadcasting tape). Public information equipment resources ($6,200) have been kept to an absolute minimum and barely cover the cost of the most basic replacement parts. The funds required to host such occasions as public relations receptions, press conferences, film screenings, press luncheons and important visitors will be drawn from the hospitality account that is managed centrally by Administration for the Organization as a whole.

Resource increases/decreases

1.162. The regular budget shows an overall increase of $102,700. The resource growth stems from the increase in the staff complement ($103,600) as well as in consultants ($20,000) and temporary assistance ($1,100) which is offset to some degree by a decrease in joint printing services ($22,000). Any other expansion in activities will have to be met from (as yet unspecified) extrabudgetary resources.

Major Programme: 200 GENERAL MANAGEMENT

1994-1995 resource requirements
(In thousands of dollars, at 1993 rates)

Regular and operational budgets

	Staff Prof. wy/ms	Staff GS/Other wy/ms	Cost	Consult.	Meetings	Travel	Other	Total	Previous biennium 1992-1993
RB	36/0	33/4	5,809.9	25.7	0.0	204.4	108.2	6,148.2	6,257.7
OB	6/0	6/0	1,016.0	0.0	0.0	0.0	22.6	1,038.6	1,374.8
Total	42/0	39/4	6,825.9	25.7	0.0	204.4	130.8	7,186.8	7,632.5

Major programme description

Composition

2.1. The major programme comprises the programme 210 associated with the executive direction and management of the Organization and the six component subprogrammes: Office of the Director-General (211); Executive Staff Coordinator (212); Internal Audit (213); Legal Service (214); Evaluation (215); and Strategy, Policy and Planning (216). The functions and responsibilities of the major programme, programme and subprogrammes are described in the Director-General's Bulletins on the reorganization of the Secretariat of UNIDO (UNIDO/DG/B.26 and Add.1, UNIDO/DG/B.110, UNIDO/DG/B.111 and UNIDO/DG/B.157).

Basic aims

2.2. Within the context of the overall objective of promoting and accelerating industrial development in the developing countries, as well as promoting industrial cooperation on global, regional, national and sectoral levels, the major programme is concerned with providing effective strategic guidance to the Organization and contributes to strengthening the activities of UNIDO through improved operational and financial planning. It also proposes the programme of work and related budgets for the Organization within the scope of its constitutional objectives, and oversees the implementation thereof pursuant to the decisions of the policy-making organs of UNIDO.

Interlinkage

2.3. Within the overall context of the Organization, the programme comprises a series of closely linked functions that are essential to the executive direction and management of its affairs, as well as to the efficient coordination and conduct of its work. In addition to providing the operational and policy guidance needed for the activities of the Organization, it also performs strategic policy and planning functions and evaluates programmes and projects. These, together with the internal audit and legal services, contribute to the efficient and cost-effective functioning of UNIDO.

Major Programme: 200 GENERAL MANAGEMENT
Programme: 210 Executive Direction and Management

1994-1995 resource requirements
(In thousands of dollars, at 1993 rates)

Regular and operational budgets

	Staff Prof. wy/ms	Staff GS/Other wy/ms	Cost	Consult.	Meetings	Travel	Other	Total	Previous biennium 1992-1993
RB	36/0	33/4	5,809.9	25.7	0.0	204.4	108.2	6,148.2	6,257.7
OB	6/0	6/0	1,016.0	0.0	0.0	0.0	22.6	1,038.6	1,374.8
Total	42/0	39/4	6,825.9	25.7	0.0	204.4	130.8	7,186.8	7,632.5

By subprogramme

	Staff								
	Prof. wy/ms	GS/Other wy/ms	Cost	Consult.	Meetings	Travel	Other	Total	Previous biennium 1992-1993
211 Office of the Director-General	6/0	8/4	1,260.9	0.0	0.0	120.3	125.8	1,507.0	1,898.4
212 Executive Staff Coordinator	2/0	2/0	345.2	0.0	0.0	0.0	0.0	345.2	357.4
213 Internal Audit	4/0	4/0	676.6	0.0	0.0	10.0	0.0	686.6	526.9
214 Legal Service	6/0	9/0	1,225.2	0.0	0.0	9.9	5.0	1,240.1	1,125.8
215 Evaluation	12/0	8/0	1,566.0	15.0	0.0	10.0	0.0	1,591.0	1,415.8
216 Strategy, Policy and Planning	12/0	8/0	1,752.0	10.7	0.0	54.2	0.0	1,816.9	2,308.2
Total	42/0	39/4	6,825.9	25.7	0.0	204.4	130.8	7,186.8	7,632.5

Programme description

Development objectives

2.4. The objective of the programme is, within the context of the overall objective of promoting and accelerating industrial development in the developing countries, as well as promoting industrial cooperation on global, regional, national and sectoral levels, to guide the activities of the Organization so as to maximize productivity in both qualitative and quantitative terms and meet the needs of the developing countries in a more effective manner.

Relationship to medium-term plan priorities

2.5. As stated in the medium-term plan, the main responsibility for ensuring an effective response to the priorities set for the plan period rests with the major substantive programmes. Within that context, however, basic programming inputs and support services have a key role to play. The programme, executive direction and management, contributes to an effective response by providing the overall strategic policy and planning framework and ensuring the effective incorporation of long- and medium-term strategies, emerging developmental trends and requirements of the policy-making organs in the programmes, projects and budgets of UNIDO, as well as securing an optimum allocation of resources. Furthermore, in its evaluation of the programmes and projects of the Organization, the programme also establishes the degree to which priorities have been observed and objectives met. Through its legal function, the programme ensures that the decisions and activities of the Organization are based on generally accepted and applicable legal rules, while through its audit function, the programme reviews, evaluates and reports on the soundness of financial systems, procedures and internal controls.

New features

2.6. In the biennium, emphasis will be placed on contributing to the effective implementation and refinement of the new programming and budgeting approaches. Throughout the biennium, steps will be taken to enhance the evaluation functions of the programme and to ensure the effective financial auditing of the Organization's activities. At the same time, work will also focus on providing legal support appropriate to the changes in the technical and industrial cooperation activities of UNIDO and finalizing the definitive headquarters agreements with the host country.

Variation over the previous biennium

2.7. The basic thrust of the programme remains unchanged, although financial constraints have prevented the strengthening of certain crucial functions despite resolutions to that effect. This, of course, has meant that some activities have not received the emphasis originally envisaged. In order to counter these constraints, staff resources have been realigned to a certain degree with shifts from one subprogramme to the other both within the programme and without.

Major Programme: 200 GENERAL MANAGEMENT
Programme: 210 Executive Direction and Management
Subprogramme: 211 Office of the Director-General

1994-1995 resource requirements
(In thousands of dollars, at 1993 rates)

Regular and operational budgets

	Staff								Previous
	Prof. wy/ms	GS/Other wy/ms	Cost	Consult.	Meetings	Travel	Other	Total	biennium 1992-1993
RB	6/0	8/4	1,260.9	0.0	0.0	120.3	103.2	1,484.4	1,634.0
OB	0/0	0/0	0.0	0.0	0.0	0.0	22.6	22.6	264.4
Total	6/0	8/4	1,260.9	0.0	0.0	120.3	125.8	1,507.0	1,898.4

Subprogramme description

Introduction

2.8. The subprogramme oversees the functioning of UNIDO in its entirety and undertakes a general management and central coordination function. It carries out this function with the assistance of the Executive Management Committee, the Programme Committee, the Operational Task Force and the Implementation Review Committee, as well as other subprogrammes within the executive direction and management programme.

Problems addressed

2.9. Within the context of the overall objective of promoting and accelerating industrial development in the developing countries, as well as promoting industrial cooperation on global, regional, national and sectoral levels, it is essential that the Organization be ensured effective strategic guidance through coordinated policy and procedural management and centralized operational planning.

Objectives

2.10. The basic objective of the subprogramme is to contribute to the effective overall management, planning, policy guidance and coordination of the activities of UNIDO through the Director-General and his immediate staff.

Output and activities

2.11. In the person of the Director-General as the chief administrative officer of the Organization, the subprogramme shall be responsible for directing the work of the Organization. He provides policy direction to the major programmes, programmes and subprogrammes of the Organization in the execution of their functions, as well as guidance and coordination to the same. The Director-General also discharges functions entrusted to him under the Constitution of UNIDO and by the legislative organs of the Organization and, in addition to his participation in the system-wide coordinating bodies such as the Administrative Committee on Coordination and joint meetings of the CPC and ACC, he has a central coordinating function in respect of industrial development within the United Nations system.

Coordination

2.12. In order to secure the establishment of general policy and ensure the effective executive direction and management of the Organization, the subprogramme maintains close links with the subprogrammes in its immediate vicinity as well as with the other programmes and elements of the Organization. It also follows that the subprogramme has to maintain contacts with Governments, delegations, the United Nations system, the press and the public, individually and through other appropriate subprogrammes.

Resource requirements

2.13. The staff attached to the subprogramme, whose strength has been increased by one regular budget P-2 post and reduced by the redeployment of one operational budget D-1 post and a principal-level regular budget General Service post, will undertake the activities proposed for the biennium. The redeployment of the P-2 post from programme 850 reflects the increased workload in the Office of the Director-General which itself is a direct outcome of the need to ensure greater "visibility" of the Organization and so secure greater support from the international community. The incumbent will thus contribute to the preparation of briefing material for missions to be undertaken by the Director-General, including the logistical details thereof. The incumbent will also assist in the collection of material for use in speeches and negotiations. Appropriate provision has been made at the same level as the previous biennium ($43,500) for overtime to cover the need throughout major programme 200 for staff to be available for duty well beyond working hours (in particular during meetings of the legislative bodies), as well as for general temporary assistance to provide for the replacement of staff on extended sick leave or maternity leave. Other resource requirements relate to staff travel. Although, as in previous bienniums, the actual travel requirements of the Director-General cannot be foreseen with any accuracy, on the basis of experience a provision of $120,300 is proposed.

2.14. Further requirements relate to: (a) the representation ($47,300) and housing ($80,200) allowances due to the Director-General; and (b) the printing ($50,000) of Director-General's Bulletins and other documents related to such areas as evaluation and legal matters, as well as copies of all treaties concluded by UNIDO to date and those envisaged for the biennium.

2.15. With regard to electronic data processing and office automation resources, a total amount of $75,200 ($52,600 regular budget, $22,600 operational budget) has been appropriated for this subprogramme for the biennium to be drawn on by all subprogrammes in major programme 200.

Resource increases/decreases

2.16. The regular budget shows a decrease of $149,600 and the operational budget a decrease of $241,800. The decrease in the regular budget has been achieved by the redeployment of one General Service principal-level post ($168,400) to subprogramme 214, as well as by the non-extension of the meetings of the high-level experts, the Special Advisory Group ($143,300), which more than offsets the increase of $25,000 in joint printing and an increase of $3,300 in electronic data processing as well as the transfer to the subprogramme of a P-2 post ($133,800). In the operational budget, the decrease has been achieved by redeploying a D-1 post ($241,600) to subprogramme 215 and reducing electronic data processing by $200.

Major Programme: 200 GENERAL MANAGEMENT
Programme: 210 Executive Direction and Management
Subprogramme: 212 Executive Staff Coordinator

1994-1995 resource requirements
(In thousands of dollars, at 1993 rates)

Regular and operational budgets

	Staff Prof. wy/ms	Staff GS/Other wy/ms	Cost	Consult.	Meetings	Travel	Other	Total	Previous biennium 1992-1993
RB	2/0	0/0	241.6	0.0	0.0	0.0	0.0	241.6	253.8
OB	0/0	2/0	103.6	0.0	0.0	0.0	0.0	103.6	103.6
Total	2/0	2/0	345.2	0.0	0.0	0.0	0.0	345.2	357.4

Subprogramme description

Introduction

2.17. The subprogramme is an integral part of the executive direction and management programme, assisting the Director-General in the overall coordination of the Organization and identifying, at the request of the Director-General, problems or areas requiring attention and remedial action. It provides central administrative support for the executive direction and management programme and is responsible for coordinating the activities of the evaluation, internal audit and legal service subprogrammes.

Problems addressed

2.18. The efficient conduct of the affairs of the Organization requires that due provision is made for a mediatorial function, identifying problems that bear cross-organizational implications and putting forward proposals for their solution. The close relationship between this subprogramme and those associated with internal audit, evaluation and the legal service ensure a high degree of transparency and proper accountability.

Objectives

2.19. The objective of the subprogramme is to contribute to the effectiveness and efficiency of the Organization by identifying those activities that can yield the highest benefits in terms of improved organizational arrangements, closer coordination and increased productivity and direct cost savings.

Output and activities

2.20. The programme of executive coordination cannot be planned in detail in advance since it is important to respond promptly and at short notice to major management issues demanding the services of the subprogramme. That notwithstanding, specific coordination functions will be exercised throughout the biennium.

2.21. The subprogramme will coordinate the activities of the subprogrammes related to the evaluation of the Organization's activities, conducting internal financial audits and providing legal services. It will also act as secretariat to senior staff meetings chaired by Director-General, as well as represent the Office of the Director-General at meetings related to the review of the Organization's performance.

2.22. As in the previous biennium, the subprogramme will be increasingly concerned with managerial and operational issues demanding careful study and identification of solutions on a cross-organizational basis. In approaching those issues, the subprogramme will coordinate its actions closely with those of the subprogramme related to strategy, policy and planning within the same programme.

Coordination

2.23. By virtue of its function, the subprogramme not only maintains close links with the subprogrammes in its immediate vicinity; it also has to carry out its other functions in close cooperation with all units throughout UNIDO. This applies in particular to coordinating the preparation of reports on major management issues and the submission to the Director-General of proposals and recommendations for action.

Resource requirements

2.24. The activities of the subprogramme are carried out by its staff who do not require additional resource inputs.

Resource increases/decreases

2.25. In resource terms, a minor decrease ($12,200) has been achieved in the regular budget in respect of travel.

Major Programme: 200 GENERAL MANAGEMENT
Programme: 210 Executive Direction and Management
Subprogramme: 213 Internal Audit

1994-1995 resource requirements

(In thousands of dollars, at 1993 rates)

Regular and operational budgets

	Staff								
	Prof. wy/ms	GS/Other wy/ms	Cost	Consult.	Meetings	Travel	Other	Total	Previous biennium 1992-1993
RB	4/0	2/0	508.2	0.0	0.0	10.0	0.0	518.2	526.9
OB	0/0	2/0	168.4	0.0	0.0	0.0	0.0	168.4	0.0
Total	4/0	4/0	676.6	0.0	0.0	10.0	0.0	686.6	526.9

Subprogramme description

Introduction

2.26. The subprogramme exercises an independent and systematic review and assessment function covering all operations throughout the Organization for the purpose of advising management on the economy, efficiency and effectiveness of internal management policies, practices and control. The subprogramme is attached to the executive direction and management programme with a direct reporting line to the Director-General. Its mandate is defined in financial regulation 9.1(d), financial rules 109.39 and 109.14, as well as in Director-General's Bulletin UNIDO/DG/B.157.

Problems addressed

2.27. UNIDO is financially accountable to Member States and other donors for the proper care and use of its resources. UNIDO must ensure that funds are used to achieve the Organization's objectives in the most efficient, effective and productive manner. Staff members are accountable to the Director-General for carrying out their assignments in a productive manner in compliance with established rules, regulations, policies and procedures. Scope exists for improving accountability, transparency and productivity in the Organization. To that end, firm internal management policies, practices and control systems must be established and maintained by management. The subprogramme will contribute to strengthening those internal management policies, practices and control systems of the Organization. This is of particular importance in a situation characterized by a constrained regular budget and a precarious cash flow.

Objectives

2.28. The overall objective of the subprogramme is to assist all levels of management in the efficient, effective and economical delivery of its programmes by providing independent and objective assessments, conclusions and opinions on: (a) management framework and accountability relationships with regard to economy, efficiency, effectiveness and management risk; (b) operation of systems, procedures, processes and controls; (c) reliability and adequacy of financial and operational information; (d) compliance with the Organization's Constitution, regulations, rules, instructions and procedures; and (e) degree of protection of the Organization's funds and assets.

Output and activities

2.29. During the biennium, the subprogramme will produce a number of reports in the following main categories:

(a) Audits of several major systems, procedures and departmental operations selected on account of management concerns and assessed risks;

(b) Reviews of the development of new systems and procedures, including the electronic data-processing systems;

(c) Obligatory annual audits required by agreements with other VIC-based United Nations agencies on catering, garage, the major repair fund and the staff welfare fund (four in 1994, four in 1995);

(d) Audits of field projects selected on the basis of their potential impact on improving project execution;

(e) Investigations of cases of irregularities, if any, and other management reviews.

Given the financial constraints under which the Organization has to operate, it is particularly important that procedures are rationalized and simplified to the extent possible through process re-engineering. The subprogramme will thus place special emphasis on streamlining cumbersome administrative procedures, such as those governing the processing of personnel actions for recruitment or the procedures for procurement and travel. This task will be closely synchronized with the development of new electronic data-processing systems.

2.30. The number of outputs (audit reports and review reports) depends on the complexity or nature of the audits and the number of staff available. In the past, the average number of audit reports and reviews issued in a biennium was 20. With the securement of additional staff resources, this number could well increase, the emphasis being on a matching qualitative (as opposed to quantitative) improvement.

Coordination

2.31. Each audit or review will be coordinated with the major programme, programme or subprogramme directly affected. It is thus envisaged that certain activities/projects will be reviewed jointly with Evaluation (subprogramme 215) and close cooperation will be maintained with the Legal Service (subprogramme 214) when investigations are being carried out. Audits will be closely coordinated with those of the External Auditor of UNIDO so as to ensure the broadest audit coverage possible. Contacts will be maintained with the internal audit services of other United Nations agencies so as to draw on their experience.

Resource requirements

2.32. The staff attached to the subprogramme whose resources have been increased by the redeployment of one principal-level operational budget post will undertake the activities proposed for the biennium. The only other resources required will be travel funds to finance attendance at annual meetings of United Nations internal auditors. As in the case of the other subprogrammes, other objects of expenditure such as joint printing and computer-related costs are presented at the programme level for the Office of the Director-General as a whole.

Resource increases/decreases

2.33. The regular budget shows a decrease of $8,700 and the operational budget shows an increase of $168,400. The increase in the operational budget is due to a staff increase (one additional General Service assistant auditor, a principal-level General Service post repdeployed from subprogramme 216 ($168,400)), which has been offset to a very slight degree by a decrease in staff travel under the regular budget ($8,700).

Major Programme: 200 GENERAL MANAGEMENT
Programme: 210 Executive Direction and Management
Subprogramme: 214 Legal Service

1994-1995 resource requirements
(In thousands of dollars, at 1993 rates)

Regular and operational budgets

	Staff Prof. wy/ms	Staff GS/Other wy/ms	Cost	Consult.	Meetings	Travel	Other	Total	Previous biennium 1992-1993
RB	6/0	9/0	1,225.2	0.0	0.0	9.9	5.0	1,240.1	1,125.8
OB	0/0	0/0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total	6/0	9/0	1,225.2	0.0	0.0	9.9	5.0	1,240.1	1,125.8

Subprogramme description

Introduction

2.34. The subprogramme, an integral part of the executive direction and management programme, deals centrally with all legal matters relating to UNIDO and provides comprehensive legal services to the Organization and its policy-making organs.

Problems addressed

2.35. In order to ensure effectiveness and efficiency, the decisions and activities of the Organization must be based on generally accepted and applicable legal rules. It is also essential that high-level legal advice, informally or in the form of written legal opinions, be readily available to the Director-General and other senior officials on important questions posed to them or that may arise in the context of international developments. Central legal guidance, including further development of the internal rules of the Organization, and control are necessary in order to avoid conflicting positions and unauthorized commitments of a legal, financial or policy nature. The subprogramme thus advises the intergovernmental policy-making organs, the Director-General and senior staff on constitutional, procedural and other legal matters. The subprogramme provides comprehensive legal support services to the Secretariat, encompassing the regular and operational budget programmes, as well as subsidiaries of affiliated administrative structures, such as the International Centre for Genetic Engineering and Biotechnology and the International Centre for Science and High Technology.

Objectives

2.36. The objective of the subprogramme is to contribute to the efficient conduct of the affairs of the Organization by promoting the rule of law within the Organization and in its relations with Governments, organizations, enterprises and individuals, and by maintaining and defending the legal claims and interests of the Organization.

Output and activities

2.37. The subprogramme provides legal services, advice and assistance centrally on all matters relating to the Organization. These activities are generally continuing in nature and consist of legal support services for the organs and programmes of the Organization with a view to promoting and developing the rule of law in the activities of the Organization and defending its legal interests, positions and rights, including the privileges and immunities and exemptions to which it and its members are entitled under the applicable conventions and agreements. Legal services are provided to the Director-General, the presiding officers of the policy-making organs, and to units of the Secretariat. The legal services performed by the subprogramme also include the preparation and negotiation of treaties and international agreements to be concluded by UNIDO and the depositary functions of the Director-General, under the regulations issued pursuant to Article 102 of the United Nations Charter. For special areas of the Organization's activities, the subprogramme will continue to establish model agreements, such as relationship agreements, conference agreements and trust fund agreements. It will also continue to negotiate standard basic cooperation agreements with Member States.

2.38. General legal services and advice are furnished on relations of the Organization with other legal entities or third parties, including contractual relations with private sector firms and with staff and other employees, questions of liability, the handling of claims and internal administrative law questions. The subprogramme represents the Director-General in cases brought before the Administrative Tribunals of the International Labour Organisation or the United Nations, and it prepares and submits the respondent's answers to the Tribunal and presents oral arguments before the same. The appropriate development of administrative law rules and their uniform and correct application are guided centrally by the subprogramme through the systematic treatment and collection of rules, cases and legal precedents.

2.39. The subprogramme also provides extensive supporting services with regard to the legal aspects of the Organization's substantive programmes for industrial development. For the purchase of and contracting for equipment, work, supplies and services, including the construction of large industrial complexes, for technical cooperation projects, the subprogramme develops and establishes model contracts and general conditions and advises on their interpretation and application. A substantial number of requests for legal advice are received, especially on exceptions or variations sought to the model texts or on standard contracts developed and proposed by major firms. Similar assistance is provided in respect of contracts for work at or supplies to the Vienna International Centre which is maintained and operated by UNIDO and in respect of contracts with external publishers, with licensees of technology and computer know-how and software developed by UNIDO.

2.40. The subprogramme advises the Secretariat and Preparatory Committee of the ICGEB on patent policy and the administration of licence agreements for the transfer of materials, and it coordinates the world-wide filing of applications for patents in discoveries. The objectives of such legal arrangements are to disseminate publications, technology and other know-how to Member States of UNIDO or of the ICGEB, as well as to generate income to finance the continuation and expansion of programmed activities. Finally, the subprogramme provides comprehensive legal services for the transition of ICGEB to an independent organization.

2.41. Most tasks related to the conversion of UNIDO into a specialized agency have been completed. Much work remains to be done on the major task of negotiating, in cooperation with the International Atomic Energy Agency and the United Nations, definitive headquarters agreements with Austria which will govern the legal status of the Organization and of permanent missions and the conditions for the use of the Vienna International Centre and the Austria Center.

2.42. The Legal Service has assumed important responsibilities for the legal aspects of executive direction and management, including the rules applicable to the regular budget and to new modalities for financing and executing projects and the establishment of offices and centres abroad. The UNDP successor arrangements have resulted in a greater need for legal arrangements for and advice on projects financed from trust funds or the Industrial Development Fund. They are also expected to increase the demand for legal advisory expert services to Governments and for guidance on the development and adoption of international normative instruments. These and other innovative approaches to industrial cooperation being adopted by the Organization will bear major implications for the subprogramme, and it is to be expected that these responsibilities will increase in the biennial period.

Coordination

2.43. The subprogramme acts within the overall coordination and guidance of the executive direction and management programme. On questions of legal policy or principle it effects coordination with the legal advisers of the Organizations in the United Nations system in general and of the VIC-based organizations in particular.

Resource requirements

2.44. Responsibility for the activities and outputs will be assumed by the staff attached to the subprogramme. One regular budget P-3 post has been redeployed to subprogramme 215 (Evaluation) in exchange for a regular budget P-4 post from subprogramme 216 (Strategy, Policy and Planning) to accommodate the promotion of a legal officer to that level. A principal-level regular budget General Service post has been redeployed to the subprogramme from subprogramme 211 (Office of the Director-General) given the increased functional levels and responsibilities accruing to the subprogramme and the growing involvement with the private sector, while a General Service post has been transferred to programme 850.

2.45. Travel at the same level as the previous biennium will also be necessary to ensure participation in coordination meetings attended by the legal counsel of the United Nations and the legal advisers of the specialized agencies which are convened each year on an ad hoc basis, usually in Geneva or New York.

2.46. Specific temporary assistance resources ($40,800) are required to ensure the continued availability of part-time secretarial support throughout the biennium that was previously provided under project funds.

2.47. The only other resource requirements relate to subscriptions to external legal data banks that are to be found in the form of commercially available systems ($2,000 each year), as well as to the purchase of legal reference material of Austrian provenance, viz. the Bundesgesetzblatt and other reference books ($1,000).

Resource increases/decreases

2.48. Increases are limited to the regular budget and amount to $114,300. The staff-related resource increases ($132,800) in the regular budget pertain to the redeployment to the subprogramme of one General Service post at the principal level as well as to the difference involved in the transfer of one P-4 post to the subprogramme and that of a P-3 away from the subprogramme plus the securement of 12 months General Service temporary assistance. In addition to the decrease ($103,600) following the transfer of one General Service post to programme 850, a decrease has also been effected in respect of consultancy funds ($17,100) and a minor reduction under database acquisition and rental ($2,400) which almost wholly offset the increase relating to the printing and distribution of treaties concluded by UNIDO, which has been included in the programme's printing requirements in subprogramme 211.

Major Programme: 200 GENERAL MANAGEMENT
Programme: 210 Executive Direction and Management
Subprogramme: 215 Evaluation

1994-1995 resource requirements
(In thousands of dollars, at 1993 rates)

Regular and operational budgets

	Staff Prof. wy/ms	GS/Other wy/ms	Cost	Consult.	Meetings	Travel	Other	Total	Previous biennium 1992-1993
RB	8/0	6/0	1,021.4	15.0	0.0	10.0	0.0	1,046.4	880.4
OB	4/0	2/0	544.6	0.0	0.0	0.0	0.0	544.6	535.4
Total	12/0	8/0	1,566.0	15.0	0.0	10.0	0.0	1,591.0	1,415.8

Subprogramme description

Introduction

2.49. Today evaluation is firmly established as a powerful management tool that can provide managers and Member States, be they donors or recipients, analytical and objective information on the strengths and weaknesses of all substantive UNIDO activities, including Headquarters programmes. It thus follows that the subprogramme is an independent unit working in close cooperation with the executive direction and management function. The main thrust of evaluation work is the assessment of the relevance, effectiveness and impact of activities carried out in response to the priorities set by Member States in the medium-term plan and the programme and budgets. Evaluation serves a dual function: it ensures the accountability of UNIDO to its constituents in terms of achieving the objectives set in the medium-term plan, programme and budgets and technical cooperation projects; and it signals to managers the need to redirect, modify, expand or terminate ongoing and projected activities, be they related to technical cooperation or other aspects of the Organization's work.

Problems addressed

2.50. It is necessary for both Member States and management to have direct access to accurate and timely analytical information on the impact, effectiveness and efficiency of the programmes and projects implemented by the Organization. The analysis and information provided by this subprogramme serve to govern the decisions and actions required of the Organization to ensure an optimal response to its mandates. At the same time, in the interests of accountability and management, future reports on the Organization's performance prepared by the subprogramme will draw increasingly on information derived from the self-evaluation system and in-depth evaluation studies.

2.51. With regard to the operational activities, primarily technical cooperation, financed by UNDP and other sources, assessed information is required on the impact of those activities as opposed to information on budgetary expenditure, activity completion or output delivery. Furthermore, the challenges posed by the successor arrangements introduced by UNDP and the requirements set by other donors will require an exact, independent and timely demonstration of the capabilities of UNIDO to implement its programmes and projects efficiently and effectively with significant impact. Furthermore, the feedback of evaluation results into programming and execution of operations will require improvement so as to sharpen the focus of the full range of the Organization's substantive activities.

Objectives

2.52. The objective of the subprogramme is to enable UNIDO management and staff to identify, design and implement UNIDO programmes that are of relevance to the development targets they aim to achieve and to ensure maximum impact, thereby effecting better utilization of the resources available to UNIDO by:

(a) Providing the policy-making organs and management of UNIDO with qualitative information on the impact, efficiency and effectiveness of the different UNIDO programmes; and

(b) Providing UNDP, UNIDF donors, special-purpose contributors and policy-making organs with information on the impact, efficiency and effectiveness of UNIDO technical cooperation projects on an individual and aggregated basis.

Output and activities

2.53. At the beginning of the biennium, the evaluation systems related to technical cooperation and Headquarters activities, including self-evaluation of the latter, will be in place and tested. Further systems development during the biennium will emphasize the analysis and dissemination of evaluation findings and their feedback into the planning of future activities financed from both regular budget and extrabudgetary funds.

2.54. The subprogramme will organize and oversee the preparation of 70 in-depth evaluations as well as 700 self-evaluations of technical cooperation projects of all sizes.

2.55. Three cluster evaluations, be they grouped by source of funds or substantive themes, will also be undertaken in cooperation with donors and recipient countries.

2.56. The subprogramme will conduct two selected programme-level in-depth evaluations of Headquarters programmes mandated by the policy-making organs and report thereon to the Board.

2.57. Each year the subprogramme shall submit a report on its activities to the Board, in which an analysis will be given of the findings of the in-depth and self-evaluation systems and their impact. This report will take into consideration the special characteristics both of technical cooperation and Headquarters programmes. The evaluation system will be kept under close review in order to ensure increased effectiveness and relevance to actual and changing requirements of member countries.

Coordination

2.58. The evaluation work related to the Headquarters programmes will be undertaken in close cooperation with the organizational units concerned. Similarly, the evaluation of technical cooperation projects and programmes will be undertaken in cooperation with the appropriate backstopping and programme officers, recipient Governments and donors. The very nature of the subprogramme necessitates cooperation with all organizational units of UNIDO. Every effort will be made to ensure that lessons learned from these exercises will be fully taken into account during the planning, design and management of future programmes and projects.

2.59. The subprogramme will also maintain close links with the evaluation units in other agencies and organizations throughout the system, as well as those maintained by other multilateral and bilateral donors, with which it shall exchange the experience and knowledge it has gained in developing effective evaluation systems and procedures.

Resource requirements

2.60. Responsibility for the coordination and production of outputs which have increased both in complexity and number will be assumed by the staff attached to the subprogramme. A slight degree of staff accretion has been achieved by redeploying one regular budget P-3 post from subprogramme 214 (Legal Service) and one operational budget D-1 post from subprogramme 211 (Office of the Director-General): moves that have been offset by abolishing an operational budget P-5 post in this subprogramme. The redeployed post will be used to accommodate the promotion of a staff member to that level following an increase in duties and responsibilities related to an increase in demand for the evaluation of technical cooperation projects and the preparation of a basis for the self-evaluation of Headquarters programmes. The increased number, broader scope and greater complexity of evaluation activities, the intricacies of which have been heightened by the decision to include small-scale projects within the coverage of the subprogramme, governed the proposal to reclassify the post of the Chief of Evaluation Staff from the present level of P-5 to D-1.

2.61. Consultant services will be required in order to secure access to specialized knowledge not available in the subprogramme to undertake evaluation studies related either to a cluster of technical cooperation activities or to Headquarters programme evaluations. The travel funds in this subprogramme relate to: (a) attendance at the meetings of the Inter-Agency Working Group on Evaluation, which usually meets once a year at the headquarters of one of the participating agencies; and (b) to consultations with UNDP and/or donor countries on evaluation. Other objects of expenditures such as joint printing are presented at the programme level for the competent subprogrammes.

Resource increases/decreases

2.62. The regular budget shows an increase of $166,000 and the operational budget an increase of $9,200. In the regular budget, the increase relates to consultants ($15,000) and the redeployment to the subprogramme of one P-3 post ($172,200), while travel has experienced a decrease ($21,200). In the operational budget, the increase is due to the redeployment from subprogramme 211 of a D-1 post ($241,600) to the subprogramme: a move that has been largely offset by the abolition of the P-5 operational budget post ($232,400) currently in the subprogramme.

Major Programme: 200 GENERAL MANAGEMENT
Programme: 210 Executive Direction and Management
Subprogramme: 216 Strategy, Policy and Planning

1994-1995 resource requirements
(In thousands of dollars, at 1993 rates)

Regular and operational budgets

	Staff								Previous
	Prof. wy/ms	GS/Other wy/ms	Cost	Consult.	Meetings	Travel	Other	Total	biennium 1992-1993
RB	10/0	8/0	1,552.6	10.7	0.0	54.2	0.0	1,617.5	1,836.8
OB	2/0	0/0	199.4	0.0	0.0	0.0	0.0	199.4	471.4
Total	12/0	8/0	1,752.0	10.7	0.0	54.2	0.0	1,816.9	2,308.2

Subprogramme description

Introduction

2.63. Established as a statutory requirement pursuant to Board decision IDB.5/Dec.21, the subprogramme is an integral part of the executive direction and management programme. It performs a distinct programme analysis function and puts forward strategic recommendations related to policies, programmes, management initiatives and approaches aimed at enhancing the effectiveness of the Organization.

Problems addressed

2.64. In determining the strategies and policies of the Organization, full account has to be taken of current and future trends and developments in industrialization at the global, regional, national and sectoral levels, as well as of the policy directives emanating from the governing bodies of UNIDO and the United Nations system. Consequently, central secretariat functions, such as the preparation of medium-term plans and the biennial programme and budgets, are best performed through a mechanism such as this subprogramme which, by virtue of its ability to adopt a global overview, can provide effective coordination throughout the Organization. The use of this mechanism is optimized when it also addresses issues related to organizational development, operational policy, management systems and procedures.

Objectives

2.65. The objective of the subprogramme is to provide to the Director-General policy advice and contribute to the formulation of long- and medium-term strategies and options for inclusion, inter alia, in the medium-term plans and biennial programmes and budgets of UNIDO, as well as to strengthen the linkage between executive decision-making and operational activities by developing policy guidelines and methods for improved resource allocation in accordance with legislative mandates and the strategic objectives of the Organization.

Output and activities

2.66. The subprogramme will coordinate the preparation/updating of the medium-term plan of UNIDO for the period 1996-2001, advising on the programme priorities in that plan and the overall resource allocations. These will subsequently constitute the basis for the preparation of the programme and budgets for the first biennium in the medium-term plan period.

2.67. In close cooperation with Budget (subprogramme 831), the subprogramme will coordinate the preparation of the programme and budgets of UNIDO for the biennium 1994-1995, designing a coherent programme structure and drafting the policy guidance letter and instructions for the preparation of the programme and budgets, while ensuring that the long- and medium-term strategies, programme priorities, emerging trends and requirements of the policy-making organs are taken into account. An essential input in this process will be the organization of programme planning seminars for senior staff. In the course of the budget preparation, the subprogramme shall assist in the central review, coordination and synthesis of the budget proposals by carrying out its programme analysis function and finalizing the text.

2.68. The subprogramme will coordinate the monitoring and reporting of the programme performance of the Organization as a whole in keeping with the output and activities described in the programme and budget for the biennium 1994-1995. It will ensure the submission of the appropriate performance reports to the legislative bodies of UNIDO.

2.69. As in the previous biennium, the subprogramme will analyse the role of UNIDO and formulate strategic options with a view to enhancing its effectiveness in meeting the developmental needs of the developing countries. To that end, the subprogramme will keep under review the operational policies, organizational and staff structure as well as procedures of the Organization, proposing changes wherever necessary and preparing the policy directives and instructions accordingly.

2.70. So as to ensure effective participation in system-wide policy and decision-making processes, the subprogramme will coordinate, contribute to and/or provide guidance on the preparation of UNIDO positions for submission to such bodies in the United Nations as the General Assembly, the Economic and Social Council, the Committee for Programme Coordination, the Administrative Committee on Coordination and its subcommittees, the UNDP Governing Council and the Joint Inspection Unit, as well as to other intergovernmental and inter-agency committees.

2.71. The biennium 1994-1995 may well witness the introduction of the structural reorganization of UNIDO that was debated throughout the previous biennium. Thus, emphasis in the subprogramme will shift in the biennium from preparing for that change to monitoring its introduction and contributing to its smooth implementation. The subprogramme will also work on the continuous refinement of the budget and reporting formats.

Coordination

2.72. By virtue of its function, the subprogramme maintains close links with all programmes in the Organization. This holds particularly true for the preparation of medium-term plans and the biennial programmes and budgets as well as management systems and procedures which, by their very nature, are all-encompassing and contingent upon contributions from all programmes and subprogrammes. The subprogramme also maintains contacts with other agencies and organizations in the system so as to draw on their experience in programming and planning matters, as well as to develop in unison appropriate responses to system-wide policy issues.

Resource requirements

2.73. The various activities are carried out by the staff attached to the subprogramme, the basic tasks being grouped along the following lines: strategy and policy; programme and budget planning; and organization and management. Consequently, the major resource requirements will be in the form of staff resources (which have undergone some reductions), complemented by limited amounts of overtime funds to cover peak workload periods and general temporary assistance funds to provide for the replacement of staff on extended sick leave or maternity leave which have been provided for within the allocations in the Office of the Director-General (211).

2.74. The staff resources of the subprogramme will undergo a decrease with the transfer of a P-4 post to subprogramme 214 (Legal Service) to accommodate the promotion of a staff member to that level. A second transfer, that of a General Service principal-level post under the operational budget, will be made to subprogramme 213 (Internal Audit) to meet the demand for more audit staff in that office, while the remaining operational budget General Service post will be abolished.

2.75. Consultant services will be required to finance the services of a moderator for a total of two work-months to prepare and hold two programme planning or similar seminars for senior staff. Experience has shown that these meetings are best held away from headquarters in order to minimize disruption and ensure total immersion in the subjects that are of crucial importance to the Organization.

2.76. Travel ($54,200) in this subprogramme relates for the most part to participation in meetings concerned with policy or strategy issues within the common system. It is thus assumed that the missions will be to such destinations as New York, Geneva or Rome. At the same time, it is anticipated that a staff member from the subprogramme will be required to participate in activities related to the new UNDP successor arrangements.

Resource increases/decreases

2.77. The regular budget shows a decrease of $219,300 and the operational budget a decrease of $272,000. Decreases in both the regular and operational budgets relate to a reduction in staff resources as a consequence of the various transfers (one P-4 ($199,400) and one principal-level operational budget General Service ($168,400) as well as the abolition of one operational budget General Service post ($103,600)), while travel resources have also been reduced ($19,900). Consultants have been maintained at the same level as in the previous biennium.

Major Programme: 300 PROGRAMME AND PROJECT DEVELOPMENT

1994-1995 resource requirements
(In thousands of dollars, at 1993 rates)

Regular and operational budgets

	Staff								Previous
	Prof. wy/ms	GS/Other wy/ms	Cost	Consult.	Meetings	Travel	Other	Total	biennium 1992-1993
RB	194/0	199/10	30,030.6	617.4	83.0	1,063.9	1,888.5	33,683.4	33,683.4
OB	48/0	69/4	7,960.6	127.6	0.0	587.7	1,572.1	10,248.0	15,223.1
Total	242/0	269/2	37,991.2	745.0	83.0	1,651.6	3,460.6	43,931.4	48,906.5

By programme

	Staff								Previous
	Prof. wy/ms	GS/Other wy/ms	Cost	Consult.	Meetings	Travel	Other	Total	biennium 1992-1993
310 Office of the Deputy Director-General	16/0	19/0	2,687.4	30.0	20.0	75.0	1,823.5	4,635.9	4,719.6
320 Special Measures and Activities	24/0	22/0	3,450.0	75.0	0.0	144.3	20.0	3,689.3	4,288.5
330 Area Programmes	108/0	138/2	17,691.4	100.0	35.0	1,119.9	1,295.7	20,242.0	21,001.2
340 Industrial Policy and Perspectives	60/0	58/0	8,918.6	520.0	28.0	200.5	306.4	9,973.5	13,138.1
350 Industrial Cooperation and Funds Mobilization	34/0	32/0	5,243.8	20.0	0.0	111.9	15.0	5,390.7	5,759.1
Total	242/0	269/2	37,991.2	745.0	83.0	1,651.6	3,460.6	43,931.4	48,906.5

Major programme description

Composition

3.1. The major programme consists of five programmes: Office of the Deputy Director-General (310), Special Measures and Activities (320), Area Programmes (330), Industrial Policy and Perspectives (340) and Industrial Cooperation and Funds Mobilization (350). The functions and responsibilities of the major programme and component programmes are described in the Director-General's Bulletins on the reorganization of the Secretariat of UNIDO (UNIDO/DG/B.26 and Add.1, 70, 94, 102, 114, 117, 133 and 156).

Basic aims

3.2. The Office of the Deputy Director-General provides overall management to the component programmes and ensures the design quality of the technical cooperation activities of UNIDO.

3.3. The overall objective of this major programme is the conceptual initiation and development of strategies for the operational activities of UNIDO and their translation into coordinated programmes, encompassing technical cooperation, investment services, policy-oriented studies and research and information services. The range of functions thus covers basic economic analyses, country-focused programming, identification of the demand for financing of UNIDO services and the monitoring of their delivery.

3.4. The aims of the Special Measures and Activities programme are to ensure the incorporation of special industry-wide considerations into the operational activities of UNIDO. These encompass: stimulating and supporting economic and technical cooperation among developing countries; ensuring the application of an intersectoral approach in the field-level activities of UNIDO towards the integration of women in industrial development; developing integrated technical cooperation programmes in specific industrial subsectors; and coordinating and strengthening the environment-related activities of UNIDO.

3.5. Area Programmes aim at coordinating and monitoring the implementation of strategies for the operational activities of UNIDO, encompassing its services, programmes and projects at the country, subregional, regional, interregional and global levels, including programmes related to IDDA and the least developed countries, and coordinating operational and other activities at the country and regional levels.

3.6. The Industrial Policy and Perspectives programme monitors and conducts analyses of current industrialization trends and policies at the global, regional and country, as well as at sectoral levels. On this basis, it provides advisory services to Governments and provides the analytical basis for country frameworks and strategies for UNIDO services.

3.7. The Industrial Cooperation and Funds Mobilization programme provides direct support to enterprises and institutions in developing countries through self-financing or third-party trust fund arrangements, negotiates and administers financial contributions to the Industrial Development Fund from donor countries and lends support to the Programme and Project Review Committee.

Interlinkage

3.8. The Special Measures and Activities programme provides inputs to Area Programmes and Industrial Cooperation and Funds Mobilization for their programme development activities through the promotion of economic and technical cooperation among developing countries, through the development of integrated technical cooperation programmes and through policy guidance and programme support related to environmental considerations in operational activities.

3.9. Area Programmes ensure the country focus of the operational activities of UNIDO with inputs from the other programmes as outlined above, and coordinates the services of the UNIDO Country Directors and Junior Professional Officers at the country level. The programme exercises the same coordination function for activities in support of the Industrial Development Decade for Africa and the least developed countries.

3.10. The study and research activities of Industrial Policies and Perspectives serve as inputs to the programme development activities of Area Programmes and Industrial Cooperation and Funds Mobilization. The latter programme ensures increased financial resources for technical cooperation activities through negotiations and fund-raising activities with donor countries, and supplements country-level activities through the development of special trust fund projects and promotion of cooperation with non-governmental organizations.

Major Programme: 300 PROGRAMME AND PROJECT DEVELOPMENT
Programme: 310 Office of the Deputy Director-General

1994-1995 resource requirements
(In thousands of dollars, at 1993 rates)

Regular and operational budgets

	Staff Prof. wy/ms	Staff GS/Other wy/ms	Cost	Consult.	Meetings	Travel	Other	Total	Previous biennium 1992-1993
RB	16/0	17/0	2,583.8	30.0	20.0	75.0	1,273.6	3,982.4	3,727.5
OB	0/0	2/0	103.6	0.0	0.0	0.0	549.9	653.5	992.1
Total	16/0	19/0	2,687.4	30.0	20.0	75.0	1,823.5	4,635.9	4,719.6

By subprogramme

	Staff Prof. wy/ms	Staff GS/Other wy/ms	Cost	Consult.	Meetings	Travel	Other	Total	Previous biennium 1992-1993
311 Direction and Management	4/0	11/0	1,043.2	0.0	0.0	50.0	1,823.5	2,916.7	2,969.0
312 Programme and Project Appraisal	2/0	8/0	1,644.2	30.0	20.0	25.0	0.0	1,719.2	1,750.6
Total	16/0	19/0	2,687.4	30.0	20.0	75.0	1,823.5	4,635.9	4,719.6

Programme description

Development objectives

3.11. The programme contributes to the major programme's prime objective of developing policies, new concepts and approaches, integrated programmes and funding modalities in the field of international industrial cooperation. These operational activities are designed in the light of the emerging trends and patterns of global industrial development and cooperation. To this end, the programme monitors international development and keeps in close contact with the agents of growth in member countries.

3.12. The programme is responsible for the overall management and administration of the major programme and its financial and human resources. It ensures the setting of departmental policies and monitors and coordinates the activities of the component programmes. It is also responsible for the establishment of appropriate policy guidelines and procedures within the major programme, as well as for the overall supervision of subprogramme 312, Programme and Project Appraisal.

Relationship to medium-term plan priorities

3.13. The activities of the major programme are undertaken in pursuance of all five priority areas of the medium-term plan as well as the three elements common to industrial development. By virtue of its central managerial function, the programme ensures that the activities of the component programmes and subprogrammes reflect effectively all priorities set in the medium-term plan.

New features

3.14. The programme monitors the new features in the activities of the various programmes and subprogrammes of the major programme that derive from their response to the rapid changes in the political, economic and social conditions prevailing in the developing countries as well as in Eastern and Central Europe. Given the changing relationship with UNDP and the successor arrangements for agency support costs, the programme will follow up on policy decisions and support the implementation of the new regime and the associated TSS-1, TSS-2 and AOS activities. It will also reinforce its efforts to develop field-level activities for funding from non-UNDP resources and to mobilize alternative sources of funding. The programme has assumed direct responsibility for ensuring programme and project quality with the subsumption of the appraisal function.

Variation over the previous biennium

3.15. Subprogramme 312 Programme and Project Appraisal previously located in programme 320, Special Measures and Activities has been transferred to this programme, whose regular budget resources have increased by $254,900 and operational budget resources decreased by $338,600. Details of the resource variations are given at the subprogramme level.

Major Programme: 300 PROGRAMME AND PROJECT DEVELOPMENT
Programme: 310 Office of the Deputy Director-General
Subprogramme: 311 Direction and Management

1994-1995 resource requirements
(In thousands of dollars, at 1993 rates)

Regular and operational budgets

	Staff Prof. wy/ms	GS/Other wy/ms	Cost	Consult.	Meetings	Travel	Other	Total	Previous biennium 1992-1993
RB	4/0	11/0	1,043.2	0.0	0.0	50.0	1,273.6	2,366.8	2,312.9
OB	0/0	0/0	0.0	0.0	0.0	0.0	549.9	549.9	656.1
Total	4/0	11/0	1,043.2	0.0	0.0	50.0	1,823.5	2,916.7	2,969.0

Subprogramme description

Introduction

3.16. The subprogramme is responsible for the overall management and operation of the programme and project development activities undertaken by the major programme. It also supervises the ancillary subprogramme 312, Programme and Project Appraisal.

Problems addressed

3.17. The immediate problem confronting the subprogramme is that of ensuring the smooth and effective operation of the major programme and an efficient delivery of its specific services. The need to develop new field-level activities of UNIDO and the changes arising from the UNDP successor arrangements for agency support costs underline the need for major initiatives such as the design of integrated programmes, the mobilization of resources, effective representation of the Organization in the field and support in the formulation of sound project proposals. Closely allied is the need to ensure the effective coordination of staff and other resources of the major programme.

Objectives

3.18. The objective of the subprogramme is to ensure the efficient management of the activities of the major programme and the coordination and integration of the activities of the component programmes, while ensuring the effective contribution of the ancillary subprogramme (312) to that objective. It also seeks to identify new areas of field-level activities for incorporation into the activities of the major programme and ensures the full participation of the major programme in the planning and management process of the Organization.

Output and activities

3.19. The subprogramme provides policy guidance and allocates human and financial resources within the major programme in accordance with the developing countries' needs and the Organization's priorities. It identifies issues and formulates procedures for the efficient management of the activities undertaken by the major programme. It also represents the major programmes in meetings of policy-making organs and other high-level international, inter-agency or internal forums.

Coordination

3.20. The subprogramme maintains close liaison with all the programmes and subprogrammes in the major programme as well as with the other major programmes of the Organization. It maintains close relations with Governments, organizations of the United Nations system and international financing institutions to secure the mobilization of resources, as well as liaison with funding agencies related to specific aspects of the major programme, such as the Montreal Fund or the Global Environment Facility.

Resource requirements

3.21. The work of the subprogramme will be conducted entirely by the staff allocated to it. In order to reflect the increased responsibilities and a recent promotion, a P-4 post has been redeployed from subprogramme 342 in exchange for a P-3 post that has been transferred to subprogramme 343, Industrial Statistics and Sectoral Surveys within the same major programme. Travel funds ($50,000) are required for the Deputy Director-General and his immediate staff to represent the programmes at meetings and inter-agency discussions related to responsibilities and activities of the major programme. The subprogramme also requires funds for and printing ($2,500). Provision has been made for general temporary assistance ($100,000) and overtime ($20,000) to ensure continuity during peak periods of work: funds that it administers on behalf of the major programme as a whole.

Resource increases/decreases

3.22. Regular budget resources show an increase of $53,900, and operational budget resources a decrease of $106,200. The regular budget increase is due to the redeployment of one P-4 post ($199,400) from subprogramme 342 that has been partially offset by the redeployment of one P-3 post ($172,200) to subprogramme 343, and an increase in EDP resources ($73,300) and printing ($2,500), as well as reductions in general temporary assistance ($30,800), overtime ($8,900) and travel funds ($9,400). The operational budget decrease is due to the abolition of one General Service post ($103,600) and a decrease in EDP resources ($2,600). The total resource decrease under this subprogramme amounts to $52,300.

Major Programme: 300 PROGRAMME AND PROJECT DEVELOPMENT
Programme: 310 Office of the Deputy Director-General
Subprogramme: 312 Programme and Project Appraisal

1994-1995 resource requirements
(In thousands of dollars, at 1993 rates)

Regular and operational budgets

	Staff Prof. wy/ms	Staff GS/Other wy/ms	Cost	Consult.	Meetings	Travel	Other	Total	Previous biennium 1992-1993
RB	12/0	6/0	1,540.6	30.0	20.0	25.0	0.0	1,615.6	1,414.6
OB	0/0	2/0	103.6	0.0	0.0	0.0	0.0	103.6	336.0
Total	12/0	8/0	1,644.2	30.0	20.0	25.0	0.0	1,719.2	1,750.6

Subprogramme description

Introduction

3.23. The subprogramme will become increasingly concerned with policy, procedural and methodological issues related to programme and project quality. This will be based on its appraisal during the biennium of UNDP financed project proposals over $700,000 in value, IDF and SIS financed projects irrespective of their size, and self-financed and third-party trust fund projects over $200,000 in value.

3.24. The appraisal criteria are derived from General Conference decision GC.4/Dec.11, Board decisions IDB.9/Dec.7 and IDB.10/Dec.9 related to quality criteria of UNIDO technical cooperation and to the adoption in the project development process of objective-oriented project planning, a further development of the logical framework approach (LFA/OOPP). Appraisal is also governed by the UNIDO guidelines for environmental appraisal, SIS guidelines, programme criteria for different sources of finance, the UNIDO medium-term plan (particularly in so far as programmes for the five major target problem areas are concerned) and UNIDO country strategies. In accordance with General Conference decision GC.4/Dec.11, design and appraisal advice will be increasingly provided at an early stage in the programme or project formulation process. This will apply in particular to the growing number of programmes and cluster of projects submitted for appraisal to which LFA/OOPP project design methods will be applied within the context of appraisal workshops. As a general rule, project design and formulation work will be undertaken through teams comprising appropriately grouped in-house expertise to reflect the multidisciplinary aspects of the industrialization problems being addressed through the operational activities of UNIDO.

Problems addressed

3.25. The problem addressed by the subprogramme is the constant need to improve the design and quality of UNIDO technical cooperation programmes and projects. One root of this problem lies in the need to apply the most appropriate project design methods during the identification and formulation stages of the project development process.

Objectives

3.26. The basic objective of the subprogramme is to ensure the design quality of UNIDO programmes and projects in terms of their relevance, cost effectiveness and sustainability, and to facilitate decisions by the Deputy Director-General heading the major programme on the policy and procedural aspects of programme and project quality.

Output and activities

3.27. As a first output, approximately 400 appraisal memoranda per year will be prepared on the overall quality of complete draft programmes and projects, as well as on those aspects related to environmental issues and the integration of women in industrial development. To that end, the appraisal of programme and project proposals will entail, when necessary, convening appraisal meetings to discuss appraisal findings with project planners and others with related expertise, and to seek agreement on an appropriate redesign and reformulation.

3.28. As a second output, advisory notes will be forwarded to project planners containing recommendations for the (re-)design and formulation of programmes and projects. In that context, the subprogramme will also provide advice to project planners in the field on programme and project concepts for possible financing through the Industrial Development Fund or through UNDP funding (TSS-2 and Project Development Facility (PDF)) and, when necessary, organize and conduct appraisal workshops in the field to provide methodological support to and ensure the design quality of a particular project.

3.29. The subprogramme will also provide advice on the redesign and reformulation of ongoing programmes/projects whenever the revision of their objectives, outputs and inputs is required as a result of monitoring and evaluation.

3.30. The subprogramme will prepare two policy papers each year on selected issues pertaining to the quality of programmes and projects, for use by executive management when taking decisions on the programming of UNIDO technical cooperation activities. To this end, the subprogramme will undertake a review of the advice given to project planners and the Programme and Project Review Committee on issues related to design, quality and programming aspects of technical cooperation provided through UNDP-administered funds. Furthermore, it will conduct a review of methodological aspects of programme and project design as they contribute to improved design quality based on the experience of recipient countries and development cooperation agencies. An expert group meeting will be held on the subject in 1995.

3.31. The subprogramme will ensure that mechanisms are established and staff trained in the design of technical cooperation programmes/projects in accordance with the LFA/OOPP methodology. To that end, it will conduct four project design workshops (10 UNIDO staff at each workshop) and two similar workshops for UCDs and JPOs each year. It will also provide direct assistance to institutions in requesting countries on the introduction and application of the LFA/OOPP methodology. Special briefings will also be given at Vienna to developing country representatives at their request on design methodologies and appraisal techniques.

Coordination

3.32. Given the multidisciplinary nature of industrialization, teamwork among project planners will be the rule rather the exception in project design and appraisal work. Furthermore, the success of appraisal work will depend crucially on the degree of preparation undertaken before receipt of complete draft project proposals as well as on the extent of discussions in appraisal meetings with the project planners and other parts of UNIDO. Consequently, close links will be maintained with programmes 340, Industrial Policy and Perspectives and 330, Area Programmes, as well as subprogrammes 841, Purchase, 842, Contracts and 353, IDF Mobilization and Funds Management. Furthermore, coordination will be maintained with UNDP, New York, Resident Representatives, donor and recipient countries and other international organizations such as the World Bank, EC and OECD.

Resource requirements

3.33. Despite the increasing workload, the subprogramme will perform all activities with the same level of staff resources. Consultancy services ($30,000) are required in support of work on design and appraisal methodologies and guidelines, while an expert group meeting ($20,000) will be held on methodological aspects of programme and project design. Travel funds are required for an estimated five appraisal workshops to design and formulate specific programmes or projects, and/or train participants in developing countries on project design and formulation ($ 25,000).

Resource increases/decreases

3.34. The regular budget shows an increase of $201,000 and the operational budget a decrease of $232,400. The regular budget increase is due to the conversion of a P-5 post from the operational budget to the regular budget ($232,400), a reduction in consultant funds ($34,000) and ad hoc report group meetings ($2,000) and an increase in travel resources ($4,600). The operational budget decrease is the result of shifting a P-5 post from the operational budget to the regular budget. The total decrease in resources under this subprogramme amounts to $31,400.

Major Programme: 300 PROGRAMME AND PROJECT DEVELOPMENT
Programme: 320 Special Measures and Activities

1994-1995 resource requirements
(In thousands of dollars, at 1993 rates)

Regular and operational budgets

	Staff								
	Prof. wy/ms	GS/Other wy/ms	Cost	Consult.	Meetings	Travel	Other	Total	Previous biennium 1992-1993
RB	20/0	14/0	2,669.4	47.4	0.0	144.3	20.0	2,881.1	2,774.6
OB	4/0	8/0	780.6	27.6	0.0	0.0	0.0	808.2	1,513.9
Total	24/0	22/0	3,450.0	75.0	0.0	144.3	20.0	3,689.3	4,288.5

By subprogramme

	Staff								
	Prof. wy/ms	GS/Other wy/ms	Cost	Consult.	Meetings	Travel	Other	Total	Previous biennium 1992-1993
321 Economic Cooperation among Developing Countries	4/0	4/0	639.0	20.0	0.0	35.0	0.0	694.0	1,130.0
322 Integration of Women in Industrial Development	6/0	4/0	745.6	15.0	0.0	30.0	0.0	790.6	790.9
323 Integrated Programme Support	6/0	4/0	707.2	40.0	0.0	30.0	0.0	777.2	790.4
324 Environment Coordination	6/0	8/0	1,013.0	0.0	0.0	40.0	0.0	1,053.0	1,087.8
325 Office of the Director	2/0	2/0	345.2	0.0	0.0	9.3	20.0	374.5	489.4
Total	24/0	22/0	3,450.0	75.0	0.0	144.3	20.0	3,689.3	4,288.5

Programme description

Development objectives

3.35. The aims of the programme which is industry-wide in nature are to assume responsibility for integrating into the operational activities of UNIDO special programmatic considerations such as economic cooperation among developing countries, the integration of women in industrial development, the development of integrated sectoral programmes and the development, coordination and promotion of the Organization's environment-related activities. These aims are pursued in close cooperation with programme 330 so as to ensure effective integration of these considerations in all activities of UNIDO at the country and intercountry levels.

Relationship to medium-term plan priorities

3.36. As the programme deals with issues of cross-sectoral concern to UNIDO programming, it responds to the priorities of the medium-term plan by: (a) fostering a programme approach for both technical cooperation and industrial investment in the areas of economic cooperation among developing countries, integration of women in industrial development and environment and energy; (b) ensuring that technical cooperation activities conform to programme criteria and policy decisions so as to respond effectively to priorities and policy guidelines in the area of human resource development, development and transfer of technology and small- and medium-scale industries; and (c) implementing the activities of three subprogrammes - ECDC, integration of women in industrial development and environment coordination - that address clearly defined priorities in the medium-term plan.

New features

3.37. The programme has undergone some reconfiguration following a consolidation of its cross-sectoral activities. Whereas it has absorbed subprogrammes 321, ECDC (previously subprogramme 336) and 322, Integration of Women in Industrial Development (previously subprogramme 352), it has shed subprogramme 336, Field Representation and Coordination which is more closely allied to Area Programmes, as well as subprogramme 312, Programme and Project Appraisal which has taken on an increasingly policy-oriented role.

Variation over the previous biennium

3.38. The variation over the previous biennium in budgetary terms, an overall decrease of $539,200, relates to the absorption of two new subprogrammes and the redeployment of two others with the consequent reallocation of staff and other resources within the major programme. As indicated, these structural changes are related to the specific nature of the subprogrammes involved: two being cross-sectoral units and the other two being more closely associated with programme and project development. Detailed explanations of changes in the resource requirements are given under the various subprogrammes.

Major Programme: 300 PROGRAMME AND PROJECT DEVELOPMENT
Programme: 320 Special Measures and Activities
Subprogramme: 321 Economic Cooperation among Developing Countries

1994-1995 resource requirements
(In thousands of dollars, at 1993 rates)

Regular and operational budgets

	Staff Prof. wy/ms	GS/Other wy/ms	Cost	Consult.	Meetings	Travel	Other	Total	Previous biennium 1992-1993
RB	4/0	4/0	639.0	20.0	0.0	35.0	0.0	694.0	732.7
OB	0/0	0/0	0.0	0.0	0.0	0.0	0.0	0.0	397.3
Total	4/0	4/0	639.0	20.0	0.0	35.0	0.0	694.0	1,130.0

Subprogramme description

Introduction

3.39. Economic and technical cooperation among developing countries (ECDC) is identified in the medium-term plan as one of three elements common to industrial development that should be addressed by all substantive UNIDO activities. The activities of the subprogramme are thus mainly directed towards stimulating and supporting industrial development through the use of ECDC and TCDC mechanisms both in developing countries and within UNIDO. The subprogramme develops mechanisms and services to promote and support ECDC and TCDC, identifies opportunities for ECDC and TCDC at the level of beneficiaries, donors and cooperating partners, and supports subsequent cooperation through the design and implementation of operational ECDC and TCDC activities.

Problems addressed

3.40. Economic and technical cooperation among developing countries has not yielded results commensurate with the expectations placed in the Buenos Aires Plan of Action of 1978 or in the Caracas Programme of Action of 1981. As the primary responsibility for promoting and implementing ECDC and TCDC lies with the developing countries themselves, much remains to be done by the developing countries, with the support of the United Nations development system, to achieve the objectives laid down in the above plan and programme of action. These include such measures as: encouraging the use of ECDC and TCDC in national development plans; strengthening, where appropriate, and establishing national focal points for ECDC and TCDC; identifying and promoting sectors suited to ECDC and TCDC; and establishing informacion systems for identifying opportunities for cooperation among developing countries.

Objectives

3.41. The subprogramme seeks to consolidate the efforts of both developing countries and UNIDO to: (a) utilize ECDC and TCDC mechanisms as a major tool for industrial development; (b) increase awareness of the needs and opportunities for ECDC and TCDC at the level of the major actors; and (c) promote ECDC and TCDC at national, subregional, regional and interregional levels.

Output and activities

3.42. The subprogramme will establish a system to collect and process information on ECDC/TCDC projects and the activities of UNIDO to be used in reports to legislative bodies, the High-level Committee on the Review of TCDC and intergovernmental groupings, as well as for promotional purposes outside the Organization. The subprogramme will develop guidelines and procedures for ensuring the effective integration of ECDC and TCDC considerations into UNIDO programmes and activities and conduct analytical studies of UNIDO projects that could serve to promote TCDC and define the Organization's policies for promoting ECDC/TCDC.

3.43. At the request of developing country Governments and institutions, ECDC and TCDC projects and activities, particularly those benefiting least developed countries, will be promoted. Furthermore, in order to enhance the flows of technical and financial assistance to the least developed countries and to support enterprise-to-enterprise cooperation, two solidarity meetings (financed from extrabudgetary resources) will be organized for the benefit of least developed countries; their outcome will be followed up and duly monitored. Solidarity meetings provide a forum for public and private industrial promoters from the least developed countries to contact, discuss and seek technical and financial assistance from their counterparts in more advanced developing countries.

3.44. The subprogramme will also seek to increase awareness among developing countries of the potential offered by ECDC/TCDC and facilitate direct contacts between companies and institutions. To that end, four workshops/meetings (likewise financed from extrabudgetary resources) on promoting TCDC in specific subsectors (such as engineering, metallurgy, agro-based industries, textiles, plastic processing or energy) will be organized in cooperation with other organizational units with a view to promoting cooperation among the participating countries in those fields. Furthermore, steps will be taken to promote TCDC in the context of meetings organized by other organizational units and the TCDC programming exercise of UNDP, and the subprogramme will monitor the findings of studies undertaken by UNIDO as a means of developing further ECDC/TCDC related operational activities.

3.45. As a means of increasing developing countries' awareness of other countries' ECDC and TCDC needs, capacities and capabilities, the subprogramme, in conjunction with INTIB and other organizational units, will promote the use of information in the TCDC-INRES information referral system as inputs for project development, special emphasis being placed on training opportunities, as well as on expertise and technologies available. It will also publish two national inventories of industrial TCDC capacities and capabilities in selected sectors for distribution to Governments, institutions, enterprises and substantive units of UNIDO.

Coordination

3.46. Being a UNIDO-wide activity, the subprogramme will maintain close coordination and cooperation with all subprogrammes of programme 330, Area Programmes and subprogramme 312, Programme and Project Appraisal. Coordination and cooperation will also be particularly essential with all subprogrammes in major programme 500, Industrial Operations as well as with programmes 430, System of Consultations and 420, Industrial Investment. Development of the ECDC information service will be undertaken in close cooperation with INTIB operations in subprogramme 441, Industrial and Technological Information and with TIES in subprogramme 442, Technology Acquisition and Negotiation, as well as subprogramme 541, Industrial Human Resource Development. The subprogramme will also require close cooperation with other United Nations organizations and intergovernmental entities, such as UNDP, UNCTAD, regional economic commissions, and international, regional and subregional groupings.

Resource requirements

3.47. Responsibility for producing and coordinating the output and activities will be assumed by the staff attached to the subprogramme, who will be assisted by consultants ($20,000) in preparing national inventories of industrial TCDC capacities and capabilities. The subprogramme requires staff travel resources ($35,000) to initiate the development of ECDC/TCDC programmes and ensure participation in meetings organized by the United Nations and intergovernmental organizations.

Resource increases/decreases

3.48. The regular budget shows a decrease of $38,700 and the operational budget a decrease of $397,300. The regular budget decrease is the net effect of redeploying one P-4 post ($199,400) from subprogramme 341 that has been offset by redeploying one P-3 post ($172,200) to subprogramme 342. It is also related to a decrease in consultant ($39,800), ad hoc expert group meeting ($24,900) and travel ($1,200) resources. The operational budget decrease is due to the abolition of one P-4 post ($199,400) and one General Service post ($103,600). Other reductions are in consultants ($59,100) and travel resources ($35,200). The total decrease in resources under this subprogramme is $436,000.

Major Programme: 300 PROGRAMME AND PROJECT DEVELOPMENT
Programme: 320 Special Measures and Activities
Subprogramme: 322 Integration of Women in Industrial Development

1994-1995 resource requirements
(In thousands of dollars, at 1993 rates)

Regular and operational budgets

	Staff Prof. wy/ms	GS/Other wy/ms	Cost	Consult.	Meetings	Travel	Other	Total	Previous biennium 1992-1993
RB	6/0	2/0	642.0	15.0	0.0	30.0	0.0	687.0	687.3
OB	0/0	2/0	103.6	0.0	0.0	0.0	0.0	103.6	103.6
Total	6/0	4/0	745.6	15.0	0.0	30.0	0.0	790.6	790.9

Subprogramme description

Introduction

3.49. The responsibilities of this subprogramme include internal policy guidance and advisory services to Governments as well as the development and promotion of gender-sensitive operational and research activities in order to enhance women's contribution to, and secure their equal participation in, the mainstream of industrial development: one of the three common elements in the medium-term plan of UNIDO.

3.50. The subprogramme will also contribute significantly to the response of UNIDO to the implementation of Agenda 21 adopted by the United Nations Conference on Environment and Development (UNCED) which calls on the United Nations system to ensure that gender considerations are fully integrated into all policies, programmes and operational activities for development. At the same time, the subprogramme will be responsible for substantive inputs to the preparations for the World Conference on Women in 1995.

Problems addressed

3.51. In many countries, women face obstacles to their full and equal participation in industry, both as workers and as entrepreneurs. Those constraints may be attributable to tradition and cultural attitudes, lack of access to credit and technology, shortcomings in education, training, employment and advancement as well as to the patterns of industrial participation peculiar to women (who find themselves restricted to certain types of occupations in a limited range of activities). Despite the progress achieved to date, inadequate practical consideration is given at the operational level to the role of women in the industrial development process although tools, guides and reference materials have been developed with a view to institutionalizing the issue both within the Organization and among institutions participating in the Organization's operational activities.

3.52. If women are to be able to meet the challenges and opportunities emerging from the new trends in industrial restructuring and technological developments and resulting skill requirements, they either have to be addressed as part of the target group of the operational activities of UNIDO or their specific needs and constraints have to be met by special activities.

Objectives

3.53. The subprogramme has the following main objectives: (a) to provide policy advice and support to Governments, industry, women's organizations and non-governmental organizations on creating an enabling environment conducive to the participation of women in industrial development and in industrial and related employment at all levels; (b) to ensure integration of gender issues in the design and implementation of operational activities, particularly in the areas of industrial planning and human resource development, including women-specific entrepreneurial and managerial skill development programmes, agro-industries, small-scale industries, environment and energy as well as the development and transfer of appropriate technology, in particular new and high technologies; (c) to address systematically the participation of women in industrial development in the data collection, study and research activities of UNIDO, and, in particular, to monitor the impact on women of new technologies and industrial restructuring, changing skill requirements and emerging employment trends; (d) to address the relationship between the role of women in manufacturing and ecologically sustainable industrial development; and (e) to increase awareness within UNIDO and among cooperating institutions and related ministries in developing countries of the participation of women in industry and to enhance the capability of those entities to address the constraints women face.

Output and activities

3.54. The subprogramme will revise guides and reference materials on the integration of women in the operational activities of UNIDO: in particular, the reference file on the consideration of women in project design, management and evaluation and the Guide on the Consideration of Women in Indicative

Integrated Development Programmes. This revision will be based on a review of the experience gained at headquarters and in the field with the tools and techniques of the mainstreaming approach, and workshops will be organized to modify and adapt the approach as appropriate.

3.55. The subprogramme will continue its gender sensitization and training programmes for headquarters, field and counterpart staff who design, implement and evaluate operational activities. In that context, it will develop staff sensitization/training programmes and briefing material for country programming and project formulation missions and strengthen the capacity of national institutions and non-governmental organizations to address women-in-industry issues.

3.56. As part of its work on establishing an up-to-date database on women in industry containing quantitative and qualitative information on and bibliographical references to the role of women in industry, the subprogramme will collect data, prepare country information notes on women in industry to support programme and project development, and promote the collection of gender-disaggregated data.

3.57. On the basis of country, regional and global reports, the subprogramme will examine patterns of women's participation in industry and their social and legal status and update the typology of the main patterns and determinants of their participation in the manufacturing sector. The reports and typologies will constitute the basis for developing national and regional action plans for the integration of women in industry.

3.58. The subprogramme will continue to provide advisory services to Governments, industry, non-governmental organizations and women's organizations on the integration of women in industry. This will entail fielding advisory missions on policy measures and specific projects for the industrial integration of women, and establishing industrial support mechanisms to overcome barriers to the equal participation of women in the industrial development process.

3.59. A major area of focus will be developing, testing and disseminating special training programmes for women in selected industrial branches, high technology areas or fields where women are disadvantaged by economic and technological restructuring. To that end, the subprogramme will assist training institutions in developing countries to design special skill development and/or upgrading programmes for women for inclusion in their regular training schedules. It will also carry out training needs assessments prior to developing technical, managerial and entrepreneurial training programmes for women in selected subsectors, whereafter it will field-test, review and ultimately disseminate the programmes so developed.

3.60. As part of its endeavours to establish appropriate support structures and ensure women full benefit from operational activities, the subprogramme will formulate, and secure approval and funding for, pilot projects for the advancement of women. The projects will be based on detailed surveys and consultations with target groups and women-in-development offices in both developed and developing countries with a view to establishing appropriate support structures that secure women full benefit from operational activities.

3.61. The subprogramme will prepare reports on the integration of women for submission to the policy-making organs of UNIDO and other United Nations bodies. Other reports will be submitted to the 1995 World Conference on Women and its preparatory meetings, and the subprogramme will contribute to the 1994 update of the World Survey on the Role of Women in Development. Information will also be exchanged with women-in-development offices in United Nations organizations as well as with similar offices in intergovernmental and non-governmental organizations.

3.62. The subprogramme will also participate in national and international meetings and support efforts to mobilize extrabudgetary resources for promoting the integration of women in industry.

Coordination

3.63. Close coordination is essential to enhancing the Organization's capacity to consider gender roles in programme and project planning. The subprogramme will thus cooperate closely with all subprogrammes in major programme 400, Industrial Promotion, Consultations and Technology and 500, Industrial Operations, programme 330, Area Programmes and subprogrammes 215, Evaluation, 312, Programme and Project Appraisal, 323, Integrated Programme Support, 351, Industrial Cooperation and Management Services and 353, IDF Mobilization and Funds Management. In its efforts directed towards assisting developing countries to formulate policies and projects for integrating women in industrial development, close collaboration will be maintained with subprogrammes 342, Regional and Country Studies and 343, Industrial Statistics and Sectoral Surveys, 324, Environment Coordination, 323, Integrated Programme Support, 351, Industrial Cooperation and Management Services and 353, IDF Mobilization and Funds Management. The promotion of special programmes will also require close links with subprogrammes 342, Regional and Country Studies, 336, Field Representation and Coordination as well as major programmes 400, Industrial Promotion, Consultations and Technology and 500, Industrial Operations, while the exchange of information and networking will be facilitated by close cooperation with subprogrammes 131, External Liaison and Protocol, 324, Environment Coordination, 336, Field Representation and Coordination, 351, Industrial Cooperation and Management Services and 353, IDF Mobilization and Funds Management, as well as programme 330, Area Programmes.

Resource requirements

3.64. Responsibility for producing and coordinating the output and activities will be assumed by the staff attached to the subprogramme, who have been maintained at the same level as in the previous biennium. Consultant services ($15,000) will be required to assist with the development of gender sensitization programmes and workshops as well as the preparation of reports, in particular those related to the preparations for the World Conference on Women. Travel funds ($30,000) are required to fund participation in the five regional preparatory meetings for the World Conference on Women and to ensure full participation in the World Conference itself so that the issue of women's integration in industry is duly reflected in the outcome of the Conference.

Resource increases/decreases

3.65. The regular budget shows a decrease of $300: the net effect of increased travel resources ($11,200) and decreased consultant funding ($11,500). No resource variations are envisaged under the operational budget.

Major Programme: 30C PROGRAMME AND PROJECT DEVELOPMENT
Programme: 320 Special Measures and Activities
Subprogramme: 323 Integrated Programme Support

1994-1995 resource requirements
(In thousands of dollars, at 1993 rates)

Regular and operational budgets

	Staff Prof. wy/ms	GS/Other wy/ms	Cost	Consult.	Meetings	Travel	Other	Total	Previous biennium 1992-1993
RB	4/0	2/0	469.8	12.4	0.0	30.0	0.0	512.2	320.6
OB	2/0	2/0	237.4	27.6	0.0	0.0	0.0	265.0	469.8
Total	6/0	4/0	707.2	40.0	0.0	30.0	0.0	777.2	790.4

Subprogramme description

Introduction

3.66. Development organizations have increasingly come to realize the limitations of providing technical assistance through individual projects, and some have developed alternative approaches. In keeping with that trend, in 1989 the General Assembly called on the United Nations organizations to develop a programme approach and the subprogramme was set up in UNIDO to develop such an approach as an alternative to conventional project-based technical cooperation. The thrust of the subprogramme is the application of systematic methodologies to elaborate and implement at the country or regional level an integrated set of mutually reinforcing national policy measures combining investments and supporting development activities. The integrated programmes which are drawn up at the request of Governments usually focus on an "industrial system", a concept that in most cases includes parts of various industrial subsectors or even sectors of the economy. The approach covers such factors as raw material supply, related capital goods and technology, markets and marketing channels, alternative products and uses, human resources and finance. Drawing on various sources of funds, UNIDO assists in the development of the programme, providing an integrated package of services encompassing policy analysis and advice, investment promotion services, technical cooperation activities and other support as required.

Problems addressed

3.67. Developing countries often have to address closely interrelated problems and common issues such as policies that are not conducive to development, inadequate support infrastructure and technical knowledge and a shortage of qualified manpower, as well as a lack of investment resources and/or partners. In such cases, the response should not solely be one of executing a single technical cooperation project or promoting investment. A holistic response is called for, combining interrelated policy analysis and advice, technical cooperation and investment promotion efforts in support of a national development programme. Integrated programmes differ markedly from thematic programmes or thematic programme frameworks (such as the UNIDO environment programme framework) in that the latter address a global priority through targeted categories of projects that are not necessarily closely linked. In the case of developing an integrated approach or providing policy advice to a Government, extensive analysis of the subsector or industrial system is an essential prerequisite: an undertaking that would be far too resource-intensive for the design of individual technical assistance projects.

Objectives

3.68. The objective of the subprogramme is to combine various UNIDO activities, more specifically subsector analysis, policy advice, technical cooperation and investment promotion, in specific focused programmes of assistance to high-priority national or regional development efforts. The programmes so developed should aim at specific subsectors or industrial systems in selected countries and address associated problems in a comprehensive manner. By identifying activities on the basis of a careful study of the subjects and countries concerned, the quality, relevance and impact of those UNIDO activities should be enhanced. At the same time, the approach should enable Governments to optimize policies in relation to the subsector or system concerned and mobilize resources more effectively for both technical cooperation and investment purposes. In developing integrated programmes, systematic attention will be paid to ensuring that the programmes address the priorities set in the medium-term plan.

Output and activities

3.69. In the course of the biennium the subprogramme is expected to develop 5 to 10 integrated programmes in response to specific requests from countries and/or UNDP. Prior to developing the programmes, the subject area will be clearly defined, including those industrial activities that display a strong mutual interrelationship. In a second step, an analysis of the system and its interrelationships will be developed, using such tools as base diagrams. Where considered important and when justified by the size of the expected programme, quantified methods may be used to define the system and its interrelationships. That model will then be used to simulate the effects of various policy and other interventions. Based on experts' advice and/or the results of the simulation exercise, one or more packages of integrated policy measures, technical assistance and investment activities and the requisite UNIDO contributions will be developed. These will then be presented during a workshop in the country to all potential actors involved, including staff of the ministries, governmental and non-governmental organizations concerned, the private sector, local and international finance institutions, other United Nations organizations and representatives of potential technical cooperation donors. After discussion and modification, the programmes will be finalized and submitted to Government for approval and prospective donors for financing.

3.70. Similarly during the biennium, three programmes may be developed for groups of countries in response to global priorities or opportunities. Where a large group of countries is involved, typology studies may be required in order to group countries, according to an analysis of techno-economic, technical, and socio-political factors in relation to the subsector or system concerned. In a second step, a looser framework in the form of indicative integrated programmes may be developed for each cluster of countries, and this general analysis provided to the countries concerned for their consideration and eventual adoption, whereafter a request for UNIDO assistance may follow. Every attempt will be made to incorporate regional considerations and common needs into these programmes.

3.71. On request, the subprogramme will provide methodological assistance to other UNIDO subprogrammes in the development and presentation of thematic programmes that group and concentrate technical cooperation activities according to a specific theme or priority issue. It is estimated that this assistance will be provided in at least ten cases during the biennium.

3.72. The subprogramme will continue to cooperate with UNDP and other organizations within the United Nations system and without in developing methods, analytical tools, guidelines and other materials in support of the increased use of integrated approaches to development cooperation. It will train UNIDO and other United Nations staff, as well as government and other staff in developing countries in the application of the methodologies and software tools.

Coordination

3.73. At Headquarters, coordination will take place through specific working groups (at present five) with programme 330 Area Programmes and with various subprogrammes in major programmes 400 and 500. As in the previous biennium, the subprogramme will also cooperate closely with FAO and other organizations in the United Nations system.

Resource requirements

3.74. Responsibility for producing and coordinating output and activities will be assumed by the staff attached to the subprogramme, who have been maintained at the same level as in the previous biennium. The external expertise required for the development of detailed integrated programmes in specific country applications will be obtained from extrabudgetary resources. However, for the initial development work as well as for initial discussions with Governments at their request on the development of specific programmes, consultant resources ($40,000) will be required. Similarly, the bulk of the extensive travel requirements in relation to development and management of integrated programmes will be financed from extrabudgetary resources. That notwithstanding, minimal travel funds ($30,000) will be required to finance missions for the promotion of the integrated programme approach with donors and cooperation with UNDP and other organizations in preparing joint or harmonized guidelines on the programme approach and their further development, as well as for discussions with potentially interested donors or financing institutions during early stage of development (i.e. before extrabudgetary funding is available).

Resource increases/decreases

3.75. The regular budget shows an increase of $191,600 and the operational budget a decrease of $204,800. The regular budget increase is due to the redeployment of one P-5 post ($232,400) from subprogramme 341 and a reduction in consultant ($32,000) and travel funds ($3,800). The operational budget decrease is due to the abolition of one P-5 post ($232,400) and an increase in consultants ($27,600). The total decrease in resources under this subprogramme amounts to $13,200.

Major Programme: 300 PROGRAMME AND PROJECT DEVELOPMENT
Programme: 320 Special Measures and Activities
Subprogramme: 324 Environment Coordination

1994-1995 resource requirements
(In thousands of dollars, at 1993 rates)

Regular and operational budgets

	Staff								Previous
	Prof. wy/ms	GS/Other wy/ms	Cost	Consult.	Meetings	Travel	Other	Total	biennium 1992-1993
RB	4/0	4/0	573.4	0.0	0.0	40.0	0.0	613.4	544.6
OB	2/0	4/0	439.6	0.0	0.0	0.0	0.0	439.6	543.2
Total	6/0	8/0	1,013.0	0.0	0.0	40.0	0.0	1,053.0	1,087.8

Subprogramme description

Introduction

3.76. The subprogramme directly addresses the medium-term plan priorities of energy and environment. Given the need to associate UNIDO with system-wide endeavours to respond to the recommendations of the United Nations Conference on Environment and Development (UNCED), it seeks to develop and coordinate the work of UNIDO both within the Organization and with other agencies in the United Nations system in implementing those recommendations. In so doing, it takes into account the conclusions of the Conference on Ecologically Sustainable Industrial Development (ESID) and the environment programme of UNIDO. The objectives of the Organization are to ensure the ecological sustainability of industrial development and maximize the beneficial impact of industry on the quality of life by minimizing its adverse effects on the environment. The subprogramme is also concerned with contributing to the industry-related aspects of Agenda 21 adopted at UNCED and such international agreements as the Montreal Protocol on Substances that Deplete the Ozone Layer and the Basel Convention on the Control of the Transboundary Movement of Hazardous Wastes and Their Disposal, as well as other legislation. The subprogramme's main thrust is to promote cleaner production and pollution prevention, and secure funds for those activities. It addresses the implications that a shift towards ESID bears for technology transfer (between North and South) and industrial policies and strategies in developing countries: a shift characterized by: (a) reorientation of industrial activity to protect the biosphere; (b) efficient use of man-made and natural capital; and (c) a more equitable distribution of environmental resources and responsibilities. The subprogramme also coordinates the environment-related activities of UNIDO with those of other United Nations agencies and prepares general reports on the Organization's activities for submission to the policy-making organs.

Problems addressed

3.77. In an increasingly complex world of rapid industrialization, high rates of population growth, over-exploitation of natural resources and severe environmental degradation of air, soil and water, the ability to maintain an ecologically sustainable rate of development is being called into question. Increasingly diversified technical assistance is required to alleviate the negative impact of industrialization on the environment. Developing countries are most affected, particularly in terms of access to appropriate technologies and sources of funding for upgrading or establishing industries on an environmentally sound basis. Henceforth, industrial operations everywhere will have to be designed in such a way as to create less pollution and waste, utilize renewable rather than non-renewable resources, conserve energy and minimize irreversible adverse impacts on human health and the natural environment.

Objectives

3.78. Within the overall objective of coordinating both internally and externally the implementation of the environmental programme of UNIDO and the related work of the Organization, the subprogramme contributes to the Organization's efforts at the technical and policy levels to: (a) reduce demand by industry on non-renewable natural resources and promote the sustainable use of renewable resources including water and combustion fuels (biomass and fossil); (b) reduce emissions into the atmosphere of greenhouse gases, ozone-depleting substances and other pollutants responsible for acid deposition and pollution close to emission sources; and (c) reduce discharges of solid and liquid, toxic, hazardous and other industrial wastes into the environment, in particular the aquatic environment. Furthermore, in its coordinative function, the subprogramme will focus on: (a) enhancing the Organization's capacity to provide technical cooperation in support of ESID; (b) enhancing developing country capacities to formulate policies and strategies that contribute to ESID; (c) assisting developing countries to develop, absorb and diffuse pollution prevention techniques and cleaner production processes; (d) deploying in developing countries industrial pollution abatement technologies and processes; and (e) submitting to policy-making organs reports, briefs and statements, as required, on the environmental activities of UNIDO.

Output and activities

3.79. The subprogramme will contribute to the achievement of the objectives by ensuring that the environment programme of UNIDO is in line with the recommendations of the ESID conference and Agenda 21, in particular chapter 30, as well as with the environmental management guidelines of UNDP and other donors.

3.80. It will thus continue to develop the programme, promote its implementation, support efforts to mobilize resources for its realization and report thereon to the policy-making organs of UNIDO. As the focal point for the coordination of work programmes with other United Nations organizations, the subprogramme will also contribute to the effective participation of UNIDO in system-wide environmental matters, initiating and coordinating the preparation of inputs to, and participating as appropriate in, environment-related meetings at the national, regional and interregional levels.

3.81. In cooperation with other organizational units, the subprogramme will, on a regular basis, coordinate the preparation of promotional materials on the work of UNIDO in support of ESID. Those materials will include the Environmental Awareness Bulletin and other documents describing the Organization's contribution to cleaner production and pollution prevention as well as a mobile exhibition with video presentations publicizing cleaner production projects.

3.82. The subprogramme will coordinate the preparation on a periodic basis of substantive documentation in the form of manuals, handbooks and guidelines designed to assist UNIDO and national counterparts in orienting technical cooperation towards sustainable development. It will also support and contribute to improvements of the Organization's capacity to design, appraise, implement and evaluate technical cooperation and investment promotion projects compatible with the concept of ESID and suitable for submission to funding sources associated with UNCED and other protocols, framework conventions and agreements, as well as to such funding sources as UNDP. Expert group meetings will be organized on topics of concern to UNIDO arising from those international agreements. It will also ensure the continued integration of UNIDO and UNDP guidelines on environmental management into all stages of the UNIDO project cycle. The subprogramme will continue to design and conduct seminars and training courses for headquarters and field staff on topics fundamental to the achievement of ESID.

3.83. The target groups for the above output are UNIDO Headquarters and field staff and national counterparts for all UNIDO technical cooperation and investment promotion activities, particularly those involved with minimizing industrial pollution. Staff and consultants (funded under extrabudgetary resources) will prepare promotional materials and substantive documentation and participate in working groups associated with international agreements that address global environmental issues, as well as in workshops, conferences and symposia treating environmental issues. In the ultimate analysis, the main performance criteria will be: (a) the ability to secure funds for implementing the environment programme and the recommendations of UNCED and the ESID Conference; and (b) the extent to which UNIDO actually implements the environment programme and the UNCED and ESID recommendations.

Coordination

3.84. Some areas of common interest relating to UNCED and ESID will require central coordination by the subprogramme, while others such as improved access to international environmental funds are expected to be collaborative efforts throughout the Organization. Responsibility for coordination with other organizations on policy and administrative matters will lie primarily with the subprogramme, while the implementation of specific sectoral programmes and projects will lie primarily with subprogrammes in major programmes 400 and 500. Promotional materials will be prepared in cooperation with programme 150 Public Relations and Information, while substantive documentation such as manuals or guidelines on cleaner production will be prepared in cooperation with other organizational units in the secretariat such as subprogramme 441 Industrial and Technological Information, and other entities such as the Industry and Environment Programme Activity Centre of UNEP and the World Bank.

Resource requirements

3.85. Responsibility for producing and coordinating the output and activities will be assumed by the staff attached to the subprogramme, who will require travel funds ($40,000) to cover programme development missions, consultations on funding with industries, Governments and intergovernmental organizations and system-wide coordination.

Resource increases/decreases

3.86. The regular budget shows an increase of $68,800 and the operational budget a decrease of $103,600. The regular budget increase is due to the redeployment of one General Service post ($103,600) from subprogramme 325, as well as a decrease in consultant ($25,600) and travel funds ($9,200). The operational budget decrease stems from the abolition of one General Service post ($103,600). The total decrease under this subprogramme amounts to $34,800.

Major Programme: 300 PROGRAMME AND PROJECT DEVELOPMENT
Programme: 320 Special Measures and Activities
Subprogramme: 325 Office of the Director

1994-1995 resource requirements
(In thousands of dollars, at 1993 rates)

Regular and operational budgets

	Staff								Previous
	Prof. wy/ms	GS/Other wy/ms	Cost	Consult.	Meetings	Travel	Other	Total	biennium 1992-1993
RB	2/0	2/0	345.2	0.0	0.0	9.3	20.0	374.5	489.4
OB	0/0	0/0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total	2/0	2/0	345.2	0.0	0.0	9.3	20.0	374.5	489.4

Subprogramme description

Introduction

3.87. The subprogramme is responsible for directing, coordinating and integrating the activities of the four component subprogrammes (ECDC (321), Integration of Women in Industrial Development (322), Integrated Programme Support (323) and Environment Coordination (324)) oriented towards the development, coordination and promotion of special measures and activities. It also ensures close coordination with other programmes in major programme 300 and with other programmes throughout the Organization. The subprogramme also liaises with external organizations and institutions on all matters relevant to the programme.

3.88. The subprogramme ensures the smooth, trouble-free operation of the programme in terms of adherence to procedures, rules and regulations, management of staff resources, control of expenditure of funds and timely implementation of programmed activities.

Problems addressed

3.89. The immediate problem confronting the subprogramme is that of ensuring the smooth and effective operation of the programme and the proper integration of the special programmatic considerations addressed by the programme in the operational activities of the Organization at the country and inter-country level.

Objectives

3.90. The main objective of the subprogramme is to supervise the component subprogrammes and provide general policy guidance and ensure that the programme's resources are put to the best possible use while full benefit is derived from the forces of synergy.

Output and activities

3.91. The subprogramme organizes, coordinates, controls and reviews the performance of the four subordinate subprogrammes and ensures the realization of their proposed output. It also maintains an organizational structure and communications network that enables the programme to achieve its development objectives. It oversees the preparation of the programme's contributions to the medium-term plan, biennial programme budget, implementation reviews and programme reports to both policy-making organs and senior management, including reports on the implementation of the UNIDO environment programme, activities related to the integration of women in industrial development, integrated programme support and ECDC/TCDC.

Coordination

3.92. In carrying out its activities, the subprogramme maintains close liaison with other programmes and subprogrammes throughout the Organization, in particular with major programmes 500 Industrial Operations and 400 Industrial Promotion, Consultations and Technology. It also liaises with other organizations in the United Nations system, non-governmental and intergovernmental organizations, regional economic commissions, professional institutes and universities.

Resource requirements

3.93. Responsibility for producing and coordinating the output and activities will be assumed by the staff attached to the subprogramme, the strength of which has been reduced by one General Service post. Travel resources will be required ($9,300) to fund missions, promote new activities and establish contacts with potential counterpart institutions or organizations. The subprogramme also manages the printing funds ($20,000) for the entire programme.

Resource increases/decreases

3.94. Regular budget shows a decrease of $114,900 following the redeployment of one General Service post ($103,600) to subprogramme 324 Environment Coordination and a reduction in printing funds ($11,300). There are no operational budget requirements.

Major Programme: 300 PROGRAMME AND PROJECT DEVELOPMENT
Programme: 330 Area Programmes

1994-1995 resource requirements
(In thousands of dollars, at 1993 rates)

Regular and operational budgets

	Staff								
	Prof. wy/ms	GS/Other wy/ms	Cost	Consult.	Meetings	Travel	Other	Total	Previous biennium 1992-1993
RB	84/0	90/10	13,355.0	50.0	35.0	532.2	273.5	14,245.7	11,751.6
OB	24/0	47/4	4,336.4	50.0	0.0	587.7	1,022.2	5,996.3	9,249.6
Total	108/0	138/2	17,691.4	100.0	35.0	1,119.9	1,295.7	20,242.0	21,001.2

By subprogramme

	Staff								
	Prof. wy/ms	GS/Other wy/ms	Cost	Consult.	Meetings	Travel	Other	Total	Previous biennium 1992-1993
331 Africa	18/0	18/0	2,775.0	11.7	0.0	88.2	0.0	2,874.9	3,392.9
332 Arab Countries	12/0	10/0	1,762.4	13.7	0.0	35.8	0.0	1,811.9	2,043.1
333 Asia and the Pacific	18/0	12/0	2,497.2	27.3	0.0	68.7	0.0	2,593.2	2,997.2
334 Europe, Mediterranean, Global and Interregional	8/0	4/0	1,005.2	19.1	0.0	25.8	0.0	1,050.1	925.2
335 Latin America and the Caribbean	10/0	8/0	1,459.4	13.4	35.0	67.0	0.0	1,574.8	1,955.8
336 Field Representation and Coordination	30/0	66/2	5,762.8	0.0	0.0	760.3	1,273.4	7,796.5	6,621.4
337 Office of the Director	12/0	20/0	2,429.4	14.8	0.0	74.1	22.3	2,540.6	3,065.6
Total	108/0	138/2	17,691.4	100.0	35.0	1,119.9	1,295.7	20,242.0	21,001.2

Programme description

Development objectives

3.95. In support of industrial development in developing countries and countries in transition, this programme coordinates and monitors UNIDO operational programmes and activities at the country, regional and global levels. This coordinating and monitoring role covering all UNIDO activities in the individual countries (and regions) is designed to ensure the optimum use of resources and maximum impact of UNIDO activities in a given country in the context of national priorities and policies and overall international cooperation which will constitute the basis for formulating and implementing UNIDO country strategies.

Relationship to medium-term plan priorities

3.96. The priorities in the medium-term plan form the basis for the development of UNIDO programmes of operational activities which in turn are geared towards supporting the developmental policies and priorities of the host country. The programme is closely linked to the regional dimension of the plan as well as ECDC and subregional industrial cooperation. This relationship is reflected in the programme's work on developing and monitoring demand-oriented programmes and projects for the countries, subregions and regions, with particular attention being paid to the needs of the Africa region (IDDA) and the least developed and other disadvantaged countries.

New features

3.97. Current trends in global industrial development, associated changes in international cooperation requirements and the UNDP successor arrangements for agency support costs prompt a new approach, new modalities and hence changes in the Organization's current programme administration and coordination functions. With the introduction of more coherent procedures in UNIDO and increased reliance on other major programmes for programme and project development, the programme will become leaner: the basic thrust will be on coordinating and monitoring the implementation of UNIDO country strategies as a basis for the operational activities of UNIDO.

Variation over the previous biennium

3.98. In structural terms, the programme has experienced some structural consolidation with the incorporation of subprogramme 336, Field Representation and Coordination (previously subprogramme 321) to reflect the subprogramme's close linkage with the concerns of Area Programmes. The field representation and coordination function takes the place of the subprogramme related to economic cooperation among developing countries which on account of its cross-sectoral nature has been shifted to programme 320, Special Measures and Activities.

3.99. In budgetary terms, regular budget resources show an increase of $2,494,100 and operational budget resources a decrease of $3,253,300. Details of the variations are given under the individual subprogrammes.

Major Programme: 300 PROGRAMME AND PROJECT DEVELOPMENT
Programme: 330 Area Programmes
Subprogramme: 331 Africa

1994-1995 resource requirements
(In thousands of dollars, at 1993 rates)

Regular and operational budgets

	Staff Prof. wy/ms	Staff GS/Other wy/ms	Cost	Consult.	Meetings	Travel	Other	Total	Previous biennium 1992-1993
RB	18/0	18/0	2,775.0	11.7	0.0	88.2	0.0	2,874.9	2,791.9
OB	0/0	0/0	0.0	0.0	0.0	0.0	0.0	0.0	601.0
Total	18/0	18/0	2,775.0	11.7	0.0	88.2	0.0	2,874.9	3,392.9

Subprogramme description

Introduction

3.100. The subprogramme prepares and formulates UNIDO programmes of operational activities at the country, subregional and regional levels in sub-Saharan Africa* and monitors and supports the implementation of those programmes.

Problems addressed

3.101. Industrial development in Africa poses a great challenge to UNIDO. That challenge relates, in particular, to the Organization's effectiveness in assisting African countries to mobilize financial resources for industrial development, to develop the required industrial skills, to build up local capacities for the development and acquisition of technology for industry and to solve industry-related environmental and energy problems.

3.102. A key trend in the industrialization of Africa is the development of its private sector, in particular small- and medium-scale industries, an area which is being given increasing priority by African countries and organizations and is intimately linked to the privatization process taking place in many of those countries. Following the recent signature by African Heads of State and Government of the treaty establishing the African Economic Community and the priority given to production in the objectives of that treaty, industrial cooperation and integration in Africa takes on renewed emphasis, thus posing yet another challenge to the Organization.

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* The countries in North Africa are included under subprogramme 332 Arab Countries.

3.103. African countries will continue to receive high priority in the technical cooperation and other activities of UNIDO. With regard to UNDP financed activities, total UNDP IPF resources allocated to national and intercountry programmes in the region have increased from $1.2 billion in the UNDP fourth programming cycle to $1.76 billion in the fifth programming cycle (1992-1997). UNDP IPFs will therefore continue to constitute a major source of finance for the Organization's programmes and projects in Africa. Furthermore, practically all African countries are on the geographical priority list of most donor countries and agencies.

3.104. Significant scope exists for mobilizing increased financial resources from both the Industrial Development Fund and trust funds for programmes and projects in the region to be executed by UNIDO itself or in cooperation with other agencies.

3.105. Against this background, the problem addressed by the subprogramme is to identify and formulate operational activities within the context of national priorities and endeavours and overall international cooperation and private sector initiatives.

Objectives

3.106. The objective is to enable UNIDO to provide support to industrial development in Africa. The subprogramme thus aims at formulating coordinated programmes of operational activities on the basis of the identified needs and priorities of the countries in the region. A related objective is to ensure the efficient coordination and programmatic impact of UNIDO services.

Output and activities

3.107. Based on United Nations system-wide priorities, country information, surveys and UNIDO country strategies, and in line with national priorities and perceived international cooperation requirements, the subprogramme will prepare coherent national, subregional and regional programmes of UNIDO operational activities in Africa. The programmes will be designed to reflect current and future funding levels, the priorities set in the medium-term plan and the Organization's technical capacities. In designing the programmes, attention will be paid to ensuring complementarity with pertinent activities of other international aid agencies and private-sector entities. The programmes will be developed jointly with major programme 500, Industrial Operations and other major programmes and will provide support, as appropriate, to the subsequent formulation of projects by those major programmes.

3.108. The programmes of operational activities will assist Governments and organizations in the region to improve the policy environment, support small- and medium-scale industries and promote investment, plant rehabilitation and improved management at the enterprise level and privatization. Special efforts will be made to link technical assistance and investment promotion in order to provide more comprehensive assistance direct to industry.

3.109. This subprogramme will monitor and support the execution of programmes of operational activities as well as facilitate and coordinate ancillary activities, in particular those related to investment, human resource development and training.

3.110. The subprogramme will also play a role in coordinating and consolidating TSS-1 proposals for the countries in the region, with subsequent responsibility for their implementation being assigned to subprogrammes in other major programmes. As for TSS-2 and AOS, the subprogramme will act as focal point for communication with the UNDP Resident Representatives and UNIDO Country Directors in order to identify the services to be provided by UNIDO for the national execution of UNDP funded projects.

3.111. The output will consist of a number of country and intercountry programmes for technical cooperation and related activities in Africa countries and subregions.

Coordination

3.112. In carrying out its tasks, the subprogramme maintains close working relations with other subprogrammes in programme 330 in particular with those units coordinating LDC and IDDA related activities in subprogramme 337, Office of the Director, as well as subprogramme 321, ECDC. It also cooperates closely with the subprogrammes in the three major programmes 300, 400 and 500, notably subprogramme 323, Integrated Programme Support, in the formulation and promotion of integrated programmes in selected industrial subsectors and branches, particularly in the agro-industrial and agro-related subsector. Close coordination is also maintained with programme 350, Industrial Cooperation and Funds Mobilization.

3.113. Essentially, the framework for programme and project formulation will be drawn from detailed analytical studies at the country, regional and subsectoral levels and UNIDO country strategies prepared by programme 340, Industrial Policy and Perspectives.

3.114. Outside the Organization, coordination is maintained with UNDP Headquarters and field offices, as well as with other relevant organizations in the United Nations system and regional commissions, notably ECA, and their field offices. The subprogramme liaises with multilateral and bilateral agencies, African regional and subregional organizations and non-governmental organizations. With the emphasis accorded to promoting the private sector and mobilizing investment resources, cooperation and coordination with the World Bank, the African Development Bank and other regional and subregional development banks in Africa will take on particular importance, especially in the joint identification and promotion of investment projects.

Resource requirements

3.115. Responsibility for producing and coordinating the output and activities will be assumed by the staff attached to the subprogramme. Services of consultants ($11,700) will be drawn on for preparing technical cooperation programmes at the national, subregional and sector levels and for defining the scope of work and suitable approaches to be adopted in those areas, for which the Secretariat does not dispose of the relevant in-house expertise. Staff travel resources ($88,200) are required in connection with the implementation of the activities outlined above, in particular with preparing, monitoring and following up technical cooperation programmes.

Resource increases/decreases

3.116. Regular budget resources show an increase of $83,000, and operational budget resources a decrease of $601,000. The regular budget increase is due to the redeployment of two General Service posts ($207,200) from subprogramme 341 which has been partially offset by the redeployment of one P-3 post ($172,200) to subprogramme 337, an increase in consultant ($11,700) and travel funds ($36,300). The operational budget decrease is due to the abolition of one P-4 post ($199,400) and two General Service posts ($207,200) as well as a reduction in consultant ($42,700) and travel funds ($151,700). The total reduction of resources under this subprogramme amounts to $518,000.

Major Programme: 300 PROGRAMME AND PROJECT DEVELOPMENT
Programme: 330 Area Programmes
Subprogramme: 332 Arab Countries

1994-1995 resource requirements
(In thousands of dollars, at 1993 rates)

Regular and operational budgets

	Staff Prof. wy/ms	GS/Other wy/ms	Cost	Consult.	Meetings	Travel	Other	Total	Previous biennium 1992-1993
RB	12/0	10/0	1,762.4	0.0	0.0	35.8	0.0	1,798.2	1,620.0
OB	0/0	0/0	0.0	13.7	0.0	0.0	0.0	13.7	423.1
Total	12/0	10/0	1,762.4	13.7	0.0	35.8	0.0	1,811.9	2,043.1

Subprogramme description

Introduction

3.117. The subprogramme prepares and formulates UNIDO programmes of operational activities at the country, subregional and regional levels in the Arab region and monitors and supports the implementation of those programmes.

Problems addressed

3.118. The appreciable progress in industrial development that Arab countries have enjoyed since the mid-1960s should not mask real obstacles and shortcomings. Despite the establishment of powerful industries, industrial fabric in the Arab countries remains fragile and regional economic integration difficult to achieve. The drop in oil revenue in the mid-1980s has yielded a noticeable change in industrial development strategies and in the type and size of projects, while for the Palestinian people one of the perennial problems has been the deterioration of the Palestinian industrial sector.

3.119. Emphasis has shifted from large-scale industrial schemes and ambitious plans to the creation of smaller and more flexible production capacities that are more closely linked to developments in agriculture, health, housing and infrastructure. Some countries have endeavoured to reduce the level of State ownership in industry, promote privatization schemes and create new incentives for the private sector in industrial production, thus lending added impetus to the process of change. Marketing and management, as well as other industrial services, will be given greater attention: regional and, above all, subregional cooperation in industry and related sectors will be further enhanced.

3.120. The wide variation in the levels of industrial development within the region calls for a differentiated response in international industrial cooperation, the formulation of highly diversified programmes of operational activities in the various countries of the region and, consequently, the full involvement of all relevant UNIDO activities, including investment follow-up.

Objectives

3.121. The objective is to enable UNIDO to provide support to industrial development in the Arab countries. The subprogramme thus aims at formulating coordinated programmes of operational activities on the basis of the identified needs and priorities of the countries in the region. A related objective is to ensure the efficient coordination and programmatic impact of UNIDO services.

Output and activities

3.122. Based on United Nations system-wide priorities, country information, surveys and UNIDO country strategies, and in line with national priorities and perceived international cooperation requirements, the subprogramme will prepare coherent national, subregional and regional programmes of UNIDO operational activities in Arab countries. The programmes will be designed to reflect current and future funding levels, the priorities set in the medium-term plan and the Organization's technical capacities. In designing the programmes, attention will be paid to ensuring complementarity with pertinent activities of other international aid agencies and private-sector entities. The programmes will be developed jointly with major programme 500, Industrial Operations and other major programmes and will provide support, as appropriate, to the subsequent formulation of projects by those major programmes.

3.123. The programmes of operational activities will assist Governments and organizations in the Arab countries to achieve sustainable industrial growth. Support will be provided in terms of identifying policies and measures to improve competitiveness at the sectoral, subsectoral and enterprise levels and particular attention will be given to stimulating small-scale industries and industrial services. Special efforts will be made to link technical assistance and investment promotion in order to provide more comprehensive assistance to industry.

3.124. The subprogramme will also develop, monitor and report on the Special Programme for Industrial Development in the Arab Countries at the subregional level, with specific emphasis on agro-related, textile, building materials and resource-based industries as well as information management. The special programme with its focus on regional and subregional cooperation and the least developed countries in the region will be supported by financial resources from the Industrial Development Fund, trust funds and other sources, such as programme 610, Regular Programme for Technical Cooperation. Consequently, particular emphasis will be placed on opportunities for increasing the utilization of special trust fund arrangements, expanding investment promotion activities as well as enhancing subregional networking, cooperation and integration.

3.125. The subprogramme will monitor and support the execution of programmes of operational activities, as well as facilitate and coordinate ancillary activities, in particular those related to investment, human resource development and training.

3.126. The subprogramme will also play a role in coordinating and consolidating TSS-1 proposals for the countries in the region, with subsequent responsibility for their implementation being assigned to subprogrammes in other major programmes. As for TSS-2 and AOS, the subprogramme will act as focal point for communication with the UNDP Resident Representatives and UNIDO Country Directors in order to identify the services to be provided by UNIDO for the national execution of UNDP funded projects.

3.127. The subprogramme will also contribute to the efforts undertaken by the focal point located in subprogramme 337, Office of the Director to develop specific activities to support the Palestinian people and to mobilize extrabudgetary finance for technical assistance to the Palestinian people.

3.128. The output will consist of a number of country and intercountry programmes for technical cooperation and related activities in countries and subregions in the Arab region.

Coordination

3.129. In carrying out its tasks, the subprogramme maintains close working relations with other subprogrammes in programme 330, in particular the coordinators for the least developed countries and for assistance to the Palestinian people attached to subprogramme 337, Office of the Director, as well as subprogramme 321, ECDC. Coordination is also maintained with programme 350, Industrial Cooperation and Funds Mobilization. For the African Arab states, the subprogramme closely coordinates its activities with those of programme 620, IDDA, and it cooperates closely with major programmes 400 and 500.

3.130. Essentially, the framework for programme and project formulation will be drawn from detailed analytical studies at the country, regional and subsectoral levels and UNIDO country strategies prepared by programme 340, Industrial Policy and Perspectives.

3.131. Outside the Organization, coordination is maintained with UNDP headquarters and field offices, other organizations in the United Nations system and the regional commissions, specifically ESCWA, and other Arab national and regional financial and development organizations.

Resource requirements

3.132. Responsibility for producing and coordinating the output and activities will be assumed by the staff attached to the subprogramme. They will take part in and coordinate UNIDO staff missions. When required, they will draw on the services of consultants ($13,700) to assist in: formulating individual and integrated technical assistance projects with specialized technological and managerial components; responding to urgent requests for consultation or advisory services; and contributing to the development and implementation of the Special Programme for Industrial Development in the Arab Countries. In addition to the regular programming and project formulation missions and attendance at regional meetings and given the limited availability of UNIDO Country Directors in the region, travel resources ($35,800) are required to fund travel related to the increasingly frequent assessments of priority needs, as well as additional tasks arising out of the creation of three economic blocs in the region, the special programme, and the reconstruction, structural adjustment and recovery programmes being carried out in the region.

Resource increases/decreases

3.133. Regular budget resources show an increase of $178,200 and operational budget resources a decrease of $409,400. The regular budget increase is due to the conversion of one P-5 post ($232,400) and one General Service post ($103,600) from the operational budget to the regular budget, to the redeployment of one P-3 post ($172,200) to subprogramme 336 and to an increase in travel resources ($14,400). The operational budget decrease is due to the conversion of one P-5 post ($232,400) and one General Service post ($103,600) from the operational budget to the regular budget, and a reduction in consultant ($13,300) and travel funds ($60,100). The total decrease in resources under this subprogramme is $231,200.

Major Programme: 300 PROGRAMME AND PROJECT DEVELOPMENT
Programme: 330 Area Programmes
Subprogramme: 333 Asia and the Pacific

1994-1995 resource requirements
(In thousands of dollars, at 1993 rates)

Regular and operational budgets

	Staff								
	Prof. wy/ms	GS/Other wy/ms	Cost	Consult.	Meetings	Travel	Other	Total	Previous biennium 1992-1993
RB	16/0	12/0	2,297.8	13.4	0.0	68.7	0.0	2,379.9	2,486.5
OB	2/0	0/0	199.4	13.9	0.0	0.0	0.0	213.3	510.7
Total	18/0	12/0	2,497.2	27.3	0.0	68.7	0.0	2,593.2	2,997.2

Subprogramme description

Introduction

3.134. The subprogramme prepares and formulates UNIDO programmes of operational activities at the country, subregional and regional levels in the Asia and Pacific region and monitors and supports the implementation of those programmes.

Problems addressed

3.135. It is expected that the economic growth enjoyed by the developing countries in the region will continue to be positive, yet will vary greatly between countries. Increasing reliance is being placed on the private sector as the engine of growth. Key issues relate to ways and means of strengthening the processes of liberalization, deregulation and privatization, and creating a more active linkage with the global trading system.

3.136. Despite encouraging economic performance, Governments continue to face a variety of problems, foremost of which is the persistent widespread poverty in many parts of the region. Environmental issues have taken their place among the priorities of the Asia and Pacific region, while special efforts will be needed to assist the least developed countries, land-locked and island developing countries in the region, both individually and as a group. Likewise, the so-called transitional economies will have to interact more closely among themselves and with neighbouring countries in matters of trade and investment: intercountry cooperation will be a basic theme throughout the biennium.

3.137. The biennium coincides with the midpoint of the UNDP fifth programming cycle (1992-1996), the global priorities of which are in consonance with those of the UNIDO medium-term plan. In Asia and the Pacific, the UNDP country and intercountry programmes place emphasis on human resource development through poverty alleviation, economic management and reform, transfer and adaptation of technology, environment and natural resource management. The programmes and projects to be developed under UNIDO managed resources complement the country and intercountry programmes of UNDP.

3.138. In the ultimate analysis, the main problem addressed by this subprogramme is that of conceiving highly diversified programmes in the various countries in the region, ensuring full involvement of all relevant UNIDO activities, including investment follow-up, and providing for close cooperation with private-sector initiatives.

Objectives

3.139. The objective is to enable UNIDO to provide support to industrial development in the Asia and Pacific region. The subprogramme thus aims at formulating coordinated programmes of operational activities on the basis of the identified needs and priorities of the countries in the region. A related objective is to ensure the efficient coordination and programmatic impact of UNIDO services.

Output and activities

3.140. Based on United Nations system-wide priorities, country information, surveys and UNIDO country strategies, and in line with national priorities and perceived international cooperation requirements, the subprogramme will prepare coherent national, subregional and regional programmes of UNIDO operational activities in the Asia and Pacific region. The programmes will be designed to reflect current and future funding levels and the priorities set in the medium-term plan and the Organization's technical capacities. In designing the programmes, attention will be paid to ensuring complementarity with pertinent activities of other international aid agencies and private-sector entities. The programmes will be developed jointly with major programme 500, Industrial Operations and other major programmes and will provide support, as appropriate, to the subsequent formulation of projects by those major programmes.

3.141. The programmes of operational activities will assist Governments and organizations in the region to speed up structural change in industry, improve the policy environment, create efficient industrial networks, promote domestic and foreign investment, improve management practices and further socially and environmentally sustainable industrial development. Special efforts will be made to link technical assistance and investment promotion in order to provide more comprehensive assistance direct to industry.

3.142. This subprogramme will monitor and support the execution of programmes of operational activities, as well as facilitate and coordinate ancillary activities, in particular those related to investment, human resource development and training.

3.143. The subprogramme will also play a role in coordinating and consolidating TSS-1 proposals for the countries in the region, with subsequent responsibility for their implementation being assigned to subprogrammes in other major programmes. As for TSS-2 and AOS, the subprogramme will act as focal point for communication with the UNDP Resident Representatives and UNIDO Country Directors in order to identify the services to be provided by UNIDO for the national execution of UNDP funded projects.

3.144. The output will consist of a number of country and intercountry programmes for technical cooperation and related activities in countries and subregions in the Asia and Pacific region.

Coordination

3.145. In carrying out its tasks, the subprogramme maintains close working relations with other subprogrammes in programme 330, in particular with the unit coordinating LDC related activities in subprogramme 337, Office of the Director, as well as subprogramme 321, ECDC. It also cooperates closely with the subprogrammes in major programmes 300, 400 and 500 that play complementary roles.

3.146. Essentially, the framework for programme and project formulation will be drawn from detailed analytical studies at the country, regional and subsectoral levels and UNIDO country strategies prepared by programme 340, Industrial Policy and Perspectives.

3.147. Outside the Organization, coordination is maintained with UNDP headquarters and field offices, other organizations in the United Nations system and the regional commissions, notably ESCAP. The subprogramme also liaises with multilateral and bilateral agencies, regional and subregional organizations, as well as national and regional development financing institutions.

Resource requirements

3.148. Responsibility for producing and coordinating the output and activities will be assumed by the staff attached to the subprogramme. Given the emphasis placed on upstream integrated studies for the preparation of the industrial sector programmes at the national, subregional and sectoral levels, the specialized services of consultants ($27,300) will be required to: complement the TSS-1 resources provided by UNDP; and assist in the preparation of technical papers in specialized fields within the national and regional frameworks as well as the Special Programme for the Industrial Development of Asia and the Pacific.

3.149. Travel funds ($68,700) will be required in connection with: participation in regional/subregional ministerial and other meetings dealing with economic and industrial development convened by ESCAP, ASEAN, SAARC, SPC and other subregional organizations in the Asia and Pacific region; industrial sector and country programme review missions; programming missions; programme and project formulation missions; consultations with UNDP, the World Bank, other United Nations agencies and bilateral/multilateral organizations; attendance at round-table meetings, as well as contacts with intergovernmental and non-governmental organizations, research institutions and regional/subregional development banks.

Resource increases/decreases

3.150. Regular budget resources show a decrease of $106,600, and the operational budget resources a decrease of $297,400. The regular budget decrease is due to the abolition of one P-2 post ($133,800) that has been partially offset by an increase in consultants ($13,400) and travel resources ($13,800). The operational budget decrease is due to the abolition of one General Service post ($103,600), as well as a reduction in consultant ($75,700) and travel funds ($118,100). The total decrease of resources under this subprogramme amounts to $404,000.

Major Programme: 300 PROGRAMME AND PROJECT DEVELOPMENT
Programme: 330 Area Programmes
Subprogramme: 334 Europe, Mediterranean, Global and Interregional

1994-1995 resource requirements
(In thousands of dollars, at 1993 rates)

Regular and operational budgets

	Staff Prof. wy/ms	Staff GS/Other wy/ms	Cost	Consult.	Meetings	Travel	Other	Total	Previous biennium 1992-1993
RB	8/0	4/0	1,005.2	10.1	0.0	25.8	0.0	1,041.1	654.4
OB	0/0	0/0	0.0	9.0	0.0	0.0	0.0	9.0	270.8
Total	8/0	4/0	1,005.2	19.1	0.0	25.8	0.0	1,050.1	925.2

Subprogramme description

Introduction

3.151. The subprogramme prepares and formulates UNIDO programmes of operational activities at the country, subregional and regional levels for the European and Mediterranean countries as well as similar programmes at the global and interregional levels. It also monitors and supports the implementation of those programmes.

Problems addressed

3.152. The European and Mediterranean region, in particular the countries of Central and Eastern Europe, continues to face the challenge of restructuring and improving the competitiveness of industry. Among the complex problems besetting the region are: the collapse of the Council for Mutual Economic Assistance; lack of adequate funds for speedier upgrading or dismantling of entrenched centralized infrastructure and institutions; and the need to restructure and privatize public-sector enterprises; introduce environmentally sustainable industrial development, and provide a general supportive framework and focus for industry and private sector development, particularly in the transition to competitive market-based economies. Against this background, the problem addressed by the subprogramme is to formulate and identify operational activities conducive to integrated interventions at the industrial policy, subsector and enterprise levels. Within the context of national priorities and endeavours and overall international cooperation with multilateral institutions such as EC, EBRD, the World Bank, IMF, UNDP, other United Nations organizations, multilateral and bilateral agencies as well as private-sector initiatives.

3.153. As for the global and interregional activities, developing countries need to share experience with industrialized countries and other developing countries, particularly in industrial human resource development for which resources have to be mobilized. Furthermore, they lack information on organizing joint training programmes. They also suffer a considerable information gap and frequent delays in following technological changes taking place at the global and interregional levels. Collective research and development activities require additional funds and assistance from international agencies such as the United Nations development system. Many developing countries need to cooperate with each other on restructuring and rehabilitation issues. Great scope exists for promoting small- and medium-scale industries through enterprise-to-enterprise cooperation which likewise calls for interregional and global action. The subprogramme will thus place increased emphasis on the programme framework developed for the thematic areas identified in the medium-term plan and on global concerns such as ecologically sustainable industrial development and energy conservation. These common needs frequently require UNIDO to develop programmes and projects within an interregional and global context that extends beyond regional boundaries.

Objectives

3.154. This subprogramme aims at formulating coordinated programme of operational activities on the basis of the identified needs and priorities of the countries in the region, taking due account of the need to mobilize financial resources for technical cooperation, as well as formulating coordinated programmes at the interregional and global levels. A related objective is to ensure the efficient coordinated and programmatic impact of UNIDO services.

Output and activities

3.155. Based on United Nations system-wide priorities, country information, surveys and UNIDO country strategies, and in line with national priorities and perceived international cooperation requirements, the subprogramme will prepare coherent national, subregional and regional programmes of UNIDO operational activities for the European and Mediterranean countries. It will also prepare programmes of a like kind on an interregional and global basis. The programmes will be designed to reflect current and future funding levels, the priorities set in the medium-term plan and the Organization's technical capacities.

In designing the programmes, attention will be paid to ensuring complementarity with pertinent activities of other international aid agencies and private-sector entities. The programmes will be developed jointly with major programme 500, Industrial Operations and other major programmes and will provide support, where appropriate, to the subsequent formulation of projects by those major programmes.

3.156. The programmes of operational activities will assist Governments and organizations in the region to develop an appropriate supportive policy environment, especially at the sectoral and subsectoral levels, further enterprise restructuring and privatization and lend support to small- and medium-scale industries, as well as promote regional development, industrial human resource development, private-sector and entrepreneurship development and environmentally sustainable industrial development. Particular efforts will be made to promote investment, especially foreign direct investment, and to link technical assistance and investment promotion in order to provide more comprehensive assistance direct to industry.

3.157. The subprogramme will monitor and support the execution of programmes of operational activities as well as facilitate and coordinate ancillary activities, in particular those related to investment, human resource development and training.

3.158. The output will consist of a number of country and intercountry programmes for technical cooperation and related activities in the European and Mediterranean countries and subregions, as well as a number of similar programmes at the interregional and global levels. It should be noted that the number of countries eligible for technical assistance in the region covered by the subprogramme has risen from 10 at the beginning of the previous biennium (1992-1993) to 30 in the current biennium: a level that will be maintained in the budget period. Of the eligible countries, 19 were already members of UNIDO at the end of 1992.

Coordination

3.159. In carrying out its tasks, the subprogramme maintains close coordination with subprogrammes and activities under major programmes 400 and 500. The subprogramme will also cooperate closely with subprogramme 321, ECDC, subprogramme 324, Environment Coordination and programme 420, Industrial Investment.

3.160. Essentially, the framework for programme and project formulation will be drawn from detailed analytical studies at the country, regional and subsectoral levels and UNIDO country strategies prepared by programme 340, Industrial Policy and Perspectives.

3.161. Outside UNIDO, coordination is maintained with UNDP headquarters and its field offices, the United Nations regional offices in the Commonwealth of Independent States, United Nations specialized agencies and intergovernmental and non-governmental organizations. Links will be strengthened with international, regional and national institutions and with bilateral/multilateral donors such as the European Community, the European Bank for Reconstruction and Development and the World Bank. For UNIDO and UNDP financed activities, the subprogramme will participate in programming, project formulation and field monitoring missions and carry out consultations with bilateral/multilateral donors.

Resource requirements

3.162. Responsibility for producing and coordinating the output and activities will be assumed by staff attached to the subprogramme. Consultant funds ($19,100) will be needed to: secure expertise required in the countries in transition for the conduct of subsectoral and technical surveys of industry constraints and studies on potential and industrial competitiveness; and complement sectoral and programming missions in such areas as environment, small- and medium-scale industry development, technology upgrading, privatization and industrial pollution abatement related, inter alia, to the Chernobyl aftermath programme.

3.163. Travel resources ($25,800) will be required to cover sectoral programming and project formulation missions, in-country reviews and participation in regional/subregional ministerial and programme meetings; and fund UNIDO participation in consultations, meetings and negotiations with bilateral/multilateral donors, as well as with other United Nations bodies, non-governmental organizations and intergovernmental organizations and institutions.

Resource increases/decreases

3.164. Regular budget resources show an increase of $386,700, and operational budget resources a decrease of $261,800. The regular budget increase is due to the conversion of one P-5 post ($232,400) from the operational budget to the regular budget and the redeployment of one P-2 post ($133,800) from subprogramme 337, as well as an increase in consultant ($10,100) and travel ($10,400) funds. The operational budget decrease is due to the conversion of one P-5 post ($232,400) from the operational budget to the regular budget and a decrease in consultant ($12,300) and travel ($17,100) funds. The total increase of resources under this subprogramme amounts to $124,900.

Major Programme: 300 PROGRAMME AND PROJECT DEVELOPMENT
Programme: 330 Area Programmes
Subprogramme: 335 Latin America and the Caribbean

1994-1995 resource requirements
(In thousands of dollars, at 1993 rates)

Regular and operational budgets

	Staff								Previous
	Prof. wy/ms	GS/Other wy/ms	Cost	Consult.	Meetings	Travel	Other	Total	biennium 1992-1993
RB	10/0	8/0	1,459.4	0.0	35.0	67.0	0.0	1,561.4	1,416.0
OB	0/0	0/0	0.0	13.4	0.0	0.0	0.0	13.4	539.8
Total	10/0	8/0	1,459.4	13.4	35.0	67.0	0.0	1,574.8	1,955.8

Subprogramme description

Introduction

3.165. This subprogramme prepares and formulates UNIDO programmes of operational activities at the country, subregional and regional levels in Latin America and the Caribbean region and monitors and supports the implementation of those programmes.

Problems addressed

3.166. Most Latin American and Caribbean countries have embarked on a policy of deregulation and enhancement of the private sector as key prerequisites for promoting industrial competitiveness and growth. Trade liberalization, privatization, foreign investment promotion and closer subregional cooperation are some of the features of the new policies. Other objectives being actively pursued are industrial financing and restructuring, technological and organizational upgrading of industry as well as streamlining public administration. Poverty alleviation and growing unemployment levels are additional target areas that call for government action and international assistance, particularly in the areas of small-scale industries, rural development and income generation.

3.167. Among the problems addressed by this subprogramme are those associated with formulating and coordinating diversified "upstream" technical cooperation activities financed from multiple sources. Given the limitations of available UNDP resources, the subprogramme devotes special efforts to conceiving programmes for funding from alternative sources, including the involvement of and financing from the private sector.

3.168. The programmes of operational activities drawn up by the subprogramme are designed to strengthen the region's current efforts to enhance the structural flexibility of its economies and so increase the mobility of the human, technical and physical resources needed to foster manufacturing competitiveness. The programmes are also intended to assist in narrowing the gap between current and optimum managerial, manufacturing, environmental, technological and manpower practices by facilitating access, inter alia, to international information, expertise and custom-made training programmes as well as joint investment opportunities with partners from industrialized countries.

Objectives

3.169. The objective is to enable UNIDO to provide support to industrial development in Latin America and the Caribbean. The subprogramme thus aims at formulating coordinated programmes of operational activities on the basis of the identified needs and priorities of the countries in the region. A related objective is to ensure the efficient coordination and programmatic impact of UNIDO services.

Output and activities

3.170. Based on United Nations system-wide priorities, country information, surveys and UNIDO country strategies, and in line with national priorities and perceived international cooperation requirements, the subprogramme will prepare coherent programmes of UNIDO operational activities in Latin America and the Caribbean. The programmes will be designed to reflect current and future funding levels and the priorities set in the medium-term plan and the Organization's technical capacities. In designing the programmes, attention will be paid to ensuring complementarity with pertinent activities of other international aid agencies and private-sector entities. The programmes will be developed jointly with major programme 500, Industrial Operations and other major programmes and will provide support, as appropriate, to the subsequent formulation of projects by those major programmes.

3.171. The programmes of operational activities will consider the needs of beneficiary Governments in the region and the criteria and priorities established by funding organizations, which favour a symbiosis of national, subregional and regional projects. The subprogramme is developing a conceptual approach to ensure a close interrelationship between the above programmes and projects, thus facilitating project development, enhancing the promotion of funding and developing synergy between projects. Special attention is devoted to the medium-term plan of UNIDO, in particular the emphasis placed on human resource development, small- and medium-scale industries, industrial rehabilitation and modernization, the adaptation and development of technology, and environment and energy.

3.172. This subprogramme will monitor and support the execution of programmes of operational activities, as well as facilitate and coordinate ancillary activities, in particular those related to investment, human resource development and training.

3.173. The subprogramme will also play a role in coordinating and consolidating TSS-1 proposals for the countries in the region, with subsequent responsibility for their implementation being assigned to subprogrammes in other major programmes. As for TSS-2 and AOS, the subprogramme will act as a focal point for communication with the UNDP Resident Representatives and UNIDO Country Directors in order to identify the services to be provided by UNIDO for the national execution of UNDP funded projects.

3.174. The output will consist of a number of country and intercountry programmes for technical cooperation and related activities in the Latin American and Caribbean countries and subregions.

3.175. The subprogramme will continue to devote special attention to the Regional Cooperation Programme for the Industrial Recovery of Latin America and the Caribbean, and two large-scale regional programmes/projects based on established priorities will be developed during the biennium. Efforts will be made to identify and promote new sources of funding for those projects.

Coordination

3.176. In carrying out its tasks, the subprogramme maintains close coordination with other subprogrammes, in particular with subprogrammes under major programmes 400 and 500. The subprogramme will cooperate closely with subprogramme 321, ECDC, subprogramme 324, Environment Coordination and programme 420, Industrial Investment.

3.177. Coordination is also pursued with programme 350, Industrial Cooperation and Funds Mobilization. Essentially, the framework for programme and project formulation will be drawn from detailed analytical studies at the country, regional and subsectoral levels and UNIDO country strategies prepared by programme 340, Industrial Policy and Perspectives.

3.178. Outside the Organization, coordination is maintained with UNDP and its field offices and other organizations of the United Nations system and regional commission, notably ECLAC, the international and regional development banks, such as the World Bank, the Inter-American Development Bank and the Andean Finance Cooperation and intergovernmental organizations such as SELA, the Permanent Secretariat of the General Treaty on Central American Economic Integration (SIECA), JUNAC and CARICOM, as well as regional and subregional financial institutions.

Resource requirements

3.179. Responsibility for producing and coordinating the outputs and activities will be assumed by the staff attached to the subprogramme, who will be assisted by consultants as needed. Consultants ($13,400) will be required for project formulation work in selected countries, in particular in support of national projects related to regional projects. In addition to the meeting funds ($35,000) required to finance the regional meeting on the identification of specific requirements at the sectoral level within the framework of the Regional Cooperation Programme, the subprogramme will require travel resources ($67,000) for programme/project development and formulation missions, activities in connection with the Regional Cooperation Programme, as well as negotiations with bilateral/multilateral financial institutions, organizations of the United Nations system and governmental, intergovernmental and non-governmental organizations.

Resource increases/decreases

3.180. Regular budget resources show an increase of $145,400, and operational budget resources a decrease of $526,400. The regular budget increase is due to the conversion of one General Service post ($103,600) from the operational budget to the regular budget, and an increase in ad hoc expert group meetings ($35,000) and travel resources ($6,800). The operational budget decrease is due to the abolition of one P-4 post ($199,400) and the conversion of one General Service post ($103,600) to a regular budget post, as well as a reduction in consultant ($31,400), ad hoc expert group meeting ($89,400) and travel funds ($102,600). The total decrease of resources under this subprogramme amounts to $381,000.

Major Programme: 300 PROGRAMME AND PROJECT DEVELOPMENT
Programme: 330 Area Programmes
Subprogramme: 336 Field Representation and Coordination

1994-1995 resource requirements
(In thousands of dollars, at 1993 rates)

Regular and operational budgets

	Staff								Previous biennium
	Prof. wy/ms	GS/Other wy/ms	Cost	Consult.	Meetings	Travel	Other	Total	1992-1993
RB	10/0	18/ 10	1,825.2	0.0	0.0	172.6	251.2	2,249.0	607.0
OB	20/0	47/4	3,937.6	0.0	0.0	587.7	1,022.2	5,547.5	6,014.4
Total	30/0	66/2	5,762.8	0.0	0.0	760.3	1,273.4	7,796.5	6,621.4

Subprogramme description

Introduction

3.181. The subprogramme is responsible for managing and coordinating the field representation of UNIDO and covers the services of the UNIDO Country Directors (UCD) and the UNIDO Junior Professional Officers (JPO). These services are provided to three distinct groups: to Governments and industry in developing countries in the form of advice and information on UNIDO activities; to UNIDO in the form of information on national priorities and the identification of areas for operational activities; and to UNDP Resident Representatives in the form of advice on industry and UNIDO related matters.

Problems addressed

3.182. The UNDP successor arrangements for agency support costs and the shift in emphasis from public to private entities are but two examples of the outcome of the rapidly changing patterns of industrial development and the related changes in requirements for and modalities of international development cooperation. These changes demand flexible and innovative approaches on the part of UNIDO in its support for the industrialization of developing countries. One way of meeting that demand is the maintenance of a sizeable field representation in order to provide direct services to developing countries in terms of immediately accessible advisory services to Governments and industry and a capacity to identify needs and programme the response of UNIDO. At the same time, the subprogramme has to tackle the problem of increasing the Organization's field presence in a period of financial restraint.

Objectives

3.183. The objectives of the subprogramme is to ensure and optimize the presence of UNIDO in individual developing countries, thereby ensuring direct links to Government authorities and private sector entities on matters relating to UNIDO cooperation programmes.

Output and activities

3.184. The subprogramme primarily provides services to Governments and other national entities, as well as to UNIDO and UNDP Resident Representatives, in terms of undertaking and supporting industrial sector analyses and identifying, promoting and assessing programmes and projects in the countries of coverage. By field-level monitoring and reporting on ongoing programmes, the subprogramme lends support to the operational activities of UNIDO and contributes to their efficient implementation.

3.185. With regard to the administration of field-level representation, the subprogramme draws up plans for and pursues negotiations on the location, financing and operational arrangements for both UNIDO Country Directors and Junior Professional Officers. In addition to selecting candidates and providing training prior to and during their assignments, the subprogramme monitors and controls UCD office budgets as well as their purchases, travel and other expenditures and lends broad administrative support to JPOs at non-UCD duty stations.

Coordination

3.186. In carrying out its tasks, the subprogramme maintains close working relations with the subprogrammes in all major programmes. Close cooperation is maintained with programme 800 on matters related to the selection, evaluation and recruitment of UCD candidates as well as personnel administration. Close ties are maintained with programme 830, Financial Services on drawing up, monitoring and controlling budgets related to the local costs of UCD offices, as well as with programme 840, General Services on matters related to the provision of equipment and inventory control.

3.187. Outside UNIDO, direct coordination is maintained with the UNDP headquarters and UNDP field offices. Coordination is also maintained with the field offices of the relevant organizations in the

United Nations system, including regional commissions. The subprogramme liaises with multilateral and bilateral agencies, regional and subregional organizations, as well as national and regional development financing institutions.

Resource requirements

3.188. The responsibility for coordinating the Organization's field representation will be assumed by staff at Headquarters, for whom travel funds ($29,400) will be required to cover missions to UNDP headquarters and duty stations in the field, as well as to interview candidates, consult with donor Governments on the JPO programme and negotiate with Governments on voluntary contributions and local operational costs for UCD offices.

3.189. The subprogramme finances 13 UCD offices in developing countries, comprising a complement of 13 UNIDO Country Directors, 26 General Service staff members and the associated office costs. The number includes three new offices to be established following the redeployment from subprogramme 342, Regional and Country Studies of resources previously earmarked for regional advisers and outposted staff. In those three instances, incumbents will combine the duties of regional advisers and UCDs.

3.190. The associated costs include travel funds for local travel ($243,200) and international travel ($487,700) undertaken by UCDs at their duty stations as well as to other countries of coverage, Headquarters and meetings, as well as for other ad hoc requirements. Temporary assistance funds ($104,000) are required for peak workload periods or to replace regular General Service staff absent on sick leave. Other local office expenditures include: overtime ($39,000), other contractual printing ($32,000), rental and maintenance of premises ($310,000), utilities ($91,000), rental and maintenance of furniture and equipment ($81,600), local transportation ($92,000), communications ($188,000), hospitality ($18,400), miscellaneous services ($27,400), supplies and materials ($53,000), acquisition of furniture and equipment ($140,000) and cost-sharing in UNDP common services activities such as common equipment, common staff, major repairs and replacement of ageing buildings ($240,000).

Resource increases/decreases

3.191. Regular budget resources show an increase of $1,642,000 and operational budget resources a decrease of $466,900. The regular budget increase is due to the establishment of three new UCDs offices ($1,504,200) through the redeployment of two D-1 posts ($483,200), one P-5 post ($232,400) and four General Service posts ($240,800) from subprogramme 342, as well as the establishment of two new General Service posts ($120,400), related travel costs ($143,200) and local office costs ($284,200). Other contributory factors are the redeployment of one P-3 post ($172,200) from subprogramme 332 and a reduction in travel funds ($34,400) for Headquarters staff. The operational budget decrease is due to the abolition of one P-3 post ($172,200), a decrease in standard costs for General Service field staff ($868,000) that has been offset by an increase in local office costs ($438,000) and UCD travel funds ($135,300). The total increase of resources under this subprogramme amounts to $1,175,100.

Major Programme: 300 PROGRAMME AND PROJECT DEVELOPMENT
Programme: 330 Area Programmes
Subprogramme: 337 Office of the Director

1994-1995 resource requirements
(In thousands of dollars, at 1993 rates)

Regular and operational budgets

	Staff Prof. wy/ms	GS/Other wy/ms	Cost	Consult.	Meetings	Travel	Other	Total	Previous biennium 1992-1993
RB	10/0	20/0	2,230.0	14.8	0.0	74.1	22.3	2,341.2	2,175.8
OB	2/0	0/0	199.4	0.0	0.0	0.0	0.0	199.4	889.8
Total	12/0	20/0	2,429.4	14.8	0.0	74.1	22.3	2,540.6	3,065.6

Subprogramme description

Introduction

3.192. The subprogramme directs and coordinates the activities of the six component subprogrammes (Africa (331), Arab countries (332), Asia and the Pacific (333), Europe, Mediterranean, Global and Interregional (334), Latin America and the Caribbean (335) and Field Representation and Coordination (336)) and provides policy guidance, programme coordination and support services with regard to the operational activities of UNIDO as a whole. It also assumes the same responsibilities in respect of IDDA, the least developed countries and assistance to the Palestinian people for which the subprogramme acts as focal point.

Problems addressed

3.193. UNIDO has to accommodate more than ever before the enormous diversity of needs facing individual developing countries and regions with different socio-economic constraints, whose development conditions and prospects vary greatly from one region to another. In the context of its operational activities, UNIDO will have to strengthen its systematic identification of country-specific problems, enhance its country focus and ensure effective integration of programming development, monitoring, implementation and follow-up, with due account for the priorities set in the medium-term plan. The subprogramme has to address the problem of ensuring coordination and consistency of the activities carried out by the subprogrammes within the programme as a whole, including TSS-1 and other aspects of the successor arrangements for agency support costs.

3.194. Following the proclamation of the second IDDA, a programme was developed that aimed at removing the structural deficiencies and constraints impeding the transformation of the industrial sector in Africa and at helping to create the necessary conditions for industrialization. The programme not only encompasses activities of various organizational units throughout UNIDO, but it also requires active contributions on the part of other (external) partners. The coordination mechanism set up to implement IDDA-related activities is located in the subprogramme which thus addresses the problem of coordinating broad programmes and diverse projects undertaken in Africa by UNIDO and other multilateral, bilateral and regional organizations.

3.195. Similarly, the focal point for LDC-related activities addresses the overall problem of identifying, initiating and monitoring the operational activities of UNIDO directed towards problems peculiar to those countries which now number 47 with a combined population of some 500 million. The second United Nations Conference on the Least Developed Countries adopted the Paris Declaration and the Programme of Action for the Least Developed Countries for the 1990s with the aim of arresting further deterioration of socio-economic conditions in those countries and reactivating national economies.

Objectives

3.196. The objectives of the subprogramme are to: enhance the Organization's country focus by translating the broad requirements and priorities of countries in the various regions into consolidated programmes of operational activities and monitoring their implementation; ensure coordination within UNIDO and with other partners with regard to programmes and activities related to the second IDDA in order to achieve optimum results and maximum impact within the resources available; promote increased development assistance to the least developed countries and enhance the impact of that assistance; and contribute to the development, implementation and monitoring of a viable operational programme for Palestinian industry.

Output and activities

3.197. Within the context of the three discrete functions exercised by the subprogramme, the subprogramme is primarily responsible for coordinating and systematizing the activities of the various subprogrammes in programme 330. It also develops and monitors special assistance programmes for the Palestinian people, in addition to operating information systems to monitor both operational programmes and pipeline projects.

3.198. In respect of IDDA-related activities, the subprogramme will continue to service the interdepartmental IDDA Task Force as well as coordinate and monitor the supplementary (see programme 620) and technical cooperation activity (see programme 610) components of the IDDA programme. It will publicize the national and subregional programmes drawn up for the second IDDA and organize consultative meetings with major development assistance organizations and institutions with a view to securing and coordinating their contributions and inputs to those programmes. In cooperation with the Organization of African Unity (OAU) and the Economic Commission for Africa (ECA), the subprogramme will service the meeting of the Conference of African Ministers of Industry and the preceding meeting of the Intergovernmental Committee of Experts on the Whole on Industrialization in Africa, as well as the follow-up meetings of the Bureau of the Conference and the Committee of Ten on the implementation of the programme for the second Decade. It will expand the scope of the Industrial Partners Programme for Africa and contribute to, participate in and follow up decisions of ministerial and technical meeting of OAU, ECA and other major subregional economic groupings such as PTA, AMU, ECOWAS, ECCAS and SADCC, relating to industrial development in Africa and, more particularly, the second IDDA.

3.199. In its function as focal point for UNIDO activities relating to least developed countries, land-locked and island developing countries, the subprogramme will develop policies and programmes, as well as promote, coordinate and monitor technical cooperation and related activities for that group of countries. It will also report on the related UNIDO programmes and activities to the legislative bodies of the Organization and to other forums within the United Nations system, as well as install an information base related to industrialization in the least developed countries and prepare analytical papers on the status of industrial development in those countries.

Coordination

3.200. In carrying out its tasks, the subprogramme maintains close working relations with the various subprogrammes in programme 330 and with programme 350, Industrial Cooperation and Funds Mobilization. The subprogramme also cooperates closely with major programmes 400 and 500. The framework for programme and project formulation will be drawn from detailed analytical studies at the country, regional and subsectoral levels and UNIDO country strategies prepared by programme 340, Industrial Policy and Perspectives.

3.201. Outside the Organization, coordination is maintained with UNDP headquarters and field offices, other organizations in the United Nations system and regional commissions as well as with the competent authorities and private institutions in developing countries.

Resource requirements

3.202. Responsibility for producing and coordinating the output and activities will be assumed by the staff attached to the subprogramme. Consultant services ($14,800) will be used to prepare analytical papers on the industrial development of least developed countries within the context of the Industrial Action Programme drawn up for those countries, and to prepare an integrated programme for the installation of an information base for the industrialization of the least developed countries. Travel resources ($74,100) will be required for consultations with Governments, international and intergovernmental institutions on UNIDO technical cooperation programmes and projects as a whole, as well as in connection with activities related to the second IDDA and the least developed countries. Printing funds ($22,300) relating to the entire programme are administered centrally by the subprogramme.

Resource increases/decreases

3.203. Regular budget resources show an increase of $165,400 and operational budget resources a decrease of $690,400. The regular budget increase is due to the conversion of one P-5 post ($232,400) from the operational budget to the regular budget, the redeployment of one P-3 post ($172,200) from subprogramme 331 that has been partially offset by the redeployment of a P-2 post ($133,800) to subprogramme 334 and a decrease in consultants ($18,300), travel ($47,300) and printing funds ($40,000), as well as an increase in representation allowance ($200). The operational budget decrease is due to the conversion of a P-5 post ($232,400) from the operational budget to the regular budget, the abolition of a P-3 post ($172,200) and two General Service posts ($207,200), as well as a decrease in consultant ($21,200) and travel funds ($57,400). The total decrease in resources under this subprogramme amounts to $525,000.

Major Programme: 300 PROGRAMME AND PROJECT DEVELOPMENT
Programme: 340 Industrial Policy and Perspectives

1994-1995 resource requirements
(In thousands of dollars, at 1993 rates)

Regular and operational budgets

	Staff								
	Prof. wy/ms	GS/Other wy/ms	Cost	Consult.	Meetings	Travel	Other	Total	Previous biennium 1992-1993
RB	56/0	58/0	8,547.0	470.0	28.0	200.5	306.4	9,551.9	12,335.6
OB	4/0	0/0	371.6	50.0	0.0	0.0	0.0	421.6	802.5
Total	60/0	58/0	8,918.6	520.0	28.0	200.5	306.4	9,973.5	13,138.1

By subprogramme

	Staff								
	Prof. wy/ms	GS/Other wy/ms	Cost	Consult.	Meetings	Travel	Other	Total	Previous biennium 1992-1993
341 Global Issues and Policy Analysis	8/0	8/0	1,342.8	170.0	28.0	32.0	0.0	1,572.8	2,636.4
342 Regional and Country Studies	30/0	24/0	4,015.0	220.0	0.0	81.7	0.0	4,316.7	6,028.3
343 Industrial Statistics and Sectoral Surveys	20/0	24/0	3,197.4	130.0	0.0	70.0	0.0	3,397.4	3,537.0
344 Office of the Director	2/0	2/0	363.4	0.0	0.0	16.8	306.4	686.6	936.4
Total	60/0	58/0	8,918.6	520.0	28.0	200.5	306.4	9,973.5	13,138.1

Programme description

Development objectives

3.204. The aim of the programme is to provide economic research findings and analytical reports on industry at the global, regional, country and subsectoral levels to serve as one of the basic inputs to programming and operational activities of UNIDO and supporting national policy-making efforts.

Relationship to medium-term plan priorities

3.205. In undertaking economic analyses, monitoring current industrial trends and collecting and disseminating statistical data, particular attention is to be given to issues linked to the medium-term plan priority problem areas and the elements common to industrial development. Studies on the priority area and themes identified in the medium-term plan will, where appropriate, be used to complement research and studies with a country focus, thus facilitating the preparation of programmes and strategies for UNIDO services to developing countries and regions and providing an input to the policy advice offered by the Organization. Furthermore, in addition to technical assistance in support of industrial strategy and policy formulation, the medium-term plan emphasizes studies and research as a programme instrument for each of its priority areas, and sets as an objective the monitoring and evaluation of current industrialization strategies, policies and trends at the global and regional as well as sectoral levels.

New features

3.206. The new features of the programme relate both to its substantive orientation and form of output. The emergent global and regional challenges and prospects in respect of trade, technology, finance and corporate strategies have brought about a marked change in the parameters for industrial development in developing countries and in countries in transition. Consequently, particular attention is to be given to the issues of industrial restructuring and competitiveness. This in turns implies more closely targeted research work in those fields so as to facilitate both industrial policy-making and the formulation of concepts and approaches to be adopted in international cooperation programmes, primarily those of UNIDO.

Variation over the previous biennium

3.207. The variations over the previous biennium relate to a reduction in posts and non-staff costs which ultimately leads to an equivalent reduction in output. The resources previously allotted for regional advisers and outposted staff have been redeployed to subprogramme 336, Field Representation and Coordination. Overall, regular budget resources show a decrease of $2,783,700, and operational budget resources a decrease of $380,900. Details of the resource variations are given at the subprogramme level.

Major Programme: 300 PROGRAMME AND PROJECT DEVELOPMENT
Programme: 340 Industrial Policy and Perspectives
Subprogramme: 341 Global Issues and Policy Analysis

1994-1995 resource requirements
(In thousands of dollars, at 1993 rates)

Regular and operational budgets

	Staff								Previous
	Prof. wy/ms	GS/Other wy/ms	Cost	Consult.	Meetings	Travel	Other	Total	biennium 1992-1993
RB	8/0	8/0	1,342.8	170.0	28.0	32.0	0.0	1,572.8	2,636.4
OB	0/0	0/0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total	8/0	8/0	1,342.8	170.0	28.0	32.0	0.0	1,572.8	2,636.4

Subprogramme description

Introduction

3.208. The main thrust of the subprogramme is to provide a global economic perspective which will allow national policy makers and the international community at large to monitor and assess major trends and policy changes in the international industrial restructuring process and the implications they bear for national policy-making and international cooperation. Analyses of pertinent international issues and themes will be presented to assist UNIDO in the process of policy and programme formulation.

3.209. This international perspective will be the basis for the design of new concepts for international cooperation and for the development of programmes of operational activities by UNIDO. The subprogramme will help UNIDO to reflect on its vision of the changing process of global industrialization, and supplement its continuing efforts to reassess the relevance and effectiveness of its policies, programmes and activities.

Problems addressed

3.210. Industrial policies and strategies at the regional, country and sectoral levels are both constrained and stimulated by developments in the global financial, economic, technological and political arena. Individual actors in the industrial sector - both public and private - have to reappraise their industrialization policies and strategies constantly in the light of this rapidly changing international economic and technological environment. Yet decision makers find it difficult to obtain relevant analyses of global developments that are consistent across countries and sectors.

3.211. Deliberations by Member States of UNIDO as well as programme and project development within the Secretariat can only be effective and to the point if those involved are fully cognizant of ongoing international economic, technological, political and social developments. By providing the necessary context, the subprogramme supports the efforts of the Secretariat to address the problems and challenges arising out of those developments.

Objectives

3.212. The primary objective of the subprogramme is to provide analyses of major global development issues and trends, to synthesize the major findings of UNIDO programmes and projects, and to serve as a forum for developing the Organization's policy, initiatives and vision related to the global development process. By providing short- and medium-term perspectives of the global industrialization process, the subprogramme also aims at assisting the Secretariat to achieve a better understanding of the impact of those global developments at the national, sectoral, programme and project levels. The secondary objective is to provide an overall analytical context within which the operational policies and activities of UNIDO can be drawn up.

Output and activities

3.213. The subprogramme's first output is an annual report on the process of global industrialization at the regional, national and sectoral levels in the form of the annual UNIDO sales publication Industry and Development: Global Report. The report serves as the basis for a second output, a series of annual analyses of the global industrial restructuring process, as well as synopses of the impact of global industrialization. These are designed for use by decision makers both within UNIDO and without, including those responsible for implementing the Organization's operational activities.

3.214. As its third output, the subprogramme prepares special background papers, notes, reports and analyses on global industrial issues in response to requests from the policy-making organs as well as the senior management of UNIDO. This activity also includes the preparation of special position papers and study reports as required by the Organization.

3.215. The outputs are prepared following the synthesis of documentation, information and statistics gathered from other organizational units within the Secretariat and other organizations and agencies within the United Nations system, as well as from other external sources. The material is also used in the formulation of industrial projections contained in the outputs.

3.216. The activities of the subprogramme will involve the regular exchange of analyses and results with regional and national research institutes, major industrial bodies and other international agencies working on similar or complementary subjects. Expert group meetings of regional and subregional research institutes and of editors of specialized industry journals will be organized to assess the economic and industrial prospects for developing countries (see annex H). Given the reduction in the subprogramme's resources, outputs and activities have been curtailed and the journal Industry and Development discontinued.

Coordination

3.217. In providing a global framework for the work of other UNIDO activities and drawing on the findings of other relevant subprogrammes, the subprogramme is required to collaborate on a regular basis with those subprogrammes concerned with other analytical work, conceptual planning and actual delivery of technical cooperation, investment-related activities and broad technological issues. In organizing its expert group meetings, the subprogramme will in particular cooperate with subprogrammes 342, Regional and Country Studies and 343, Industrial Statistics and Sectoral Surveys, drawing inputs from as well as contributing to the outputs of those subprogrammes. The subprogramme will also coordinate with external bodies concerned with quantitative policy analysis in both developed and developing countries.

Resource requirements

3.218. Responsibility for producing and coordinating the output and activities will be assumed by the staff attached to the subprogramme. They will be supported by external consultants ($170,000) who will provide, as needed, specialist contributions to assist in updating sectoral and intersectoral overviews in the context of the Global Report as well as technical contributions and special analyses related to the annual analyses of the global industrial restructuring process and the impact of global economic and technical developments on industrial policies and strategies. Expert group meeting funds ($28,000) are needed to fund the meetings scheduled for the biennium and staff travel funds ($32,000) are required to finance field missions related to monitoring developments in international industrial restructuring, preparing specific studies and holding discussions with officials of other United Nations bodies.

Resource increases/decreases

3.219. Regular budget resources show a decrease of $1,063,600 achieved by abolishing one D-1 post ($241,600), redeploying one P-5 post ($232,400) to subprogramme 323, one P-4 post ($199,400) to subprogramme 321 and two General Service posts ($207,200) to subprogramme 331, and decreasing consultants ($43,400), ad hoc expert group meetings ($87,100) and travel resources ($52,500). No operational budget resources are envisaged in the subprogramme.

Major Programme: 300 PROGRAMME AND PROJECT DEVELOPMENT
Programme: 340 Industrial Policy and Perspectives
Subprogramme: 342 Regional and Country Studies

1994-1995 resource requirements
(In thousands of dollars, at 1993 rates)

Regular and operational budgets

	Staff Prof. wy/ms	GS/Other wy/ms	Cost	Consult.	Meetings	Travel	Other	Total	Previous biennium 1992-1993
RB	28/0	24/0	3,815.6	170.0	0.0	81.7	0.0	4,067.3	5,597.4
OB	2/0	0/0	199.4	50.0	0.0	0.0	0.0	249.4	430.9
Total	30/0	24/0	4,015.0	220.0	0.0	81.7	0.0	4,316.7	6,028.3

Subprogramme description

Introduction

3.220. The subprogramme's principal task is to conduct industry sector surveys, policy analyses and other programming-related studies at the level of individual countries, subregions and regions, and on that basis to draw up country strategies for the Organization. A related task is the provision of policy advice to national policy makers and the dissemination of country information to other agencies and the business community.

Problems addressed

3.221. Over the past few decades, many developing countries have built up major industrial capacities. They have acquired competence in industrial management and pre-investment work, as well as in various technical functions related to industrial operations and development. Technologically sophisticated products and production processes have been introduced and developed. Industrial research capacities have been established and major progress achieved in respect of the overall level of skills. Two trends, however, became evident in the early 1990s. First, developing countries as a whole now face significantly different challenges to those that confronted them in the early stages of their industrialization. Secondly, many developing countries, especially the least developed countries, are exposed to internal constraints and external pressures that are eroding the industrial structures and resources they had acquired. As a result, international cooperation requirements in the field of industry are changing; they are becoming increasingly diversified and complex. The upgrading of industrial competitiveness and the pursuance of sustainable development call for new concepts for and approaches to international cooperation on the part of multilateral and bilateral agencies and commercial entities, including the direct involvement of the private sector. It is thus incumbent upon UNIDO to analyse these changing and diversified needs for new industrial policies and new forms of focused international cooperation, with due account being taken of the shift in the pattern of financial resources available for this cooperation. Regional cooperation will offer increasing scope for industrial growth and the advancement of developing countries. Consequently, the mechanisms and policy implications of regional cooperation will have to be closely studied by the countries concerned and full account be taken thereof in programmes for international cooperation.

Objectives

3.222. The subprogramme aims at assisting the Organization at large in translating the medium-term plan priorities into a coherent UNIDO strategy and associated operational programmes. It will also identify key problems of and emerging constraints upon industrial development at the country and regional levels and related critical areas that call for international and national action. The first objective is to design UNIDO country strategies identifying the specific needs of the developing countries for international technical and economic cooperation, delineating the scope of the Organization's operational activities and specifying the problems that require concerted action. A second objective is to use the structural analyses conducted by the subprogramme to provide support to national policy formulation and the enhancement of industrial competitiveness. A third objective is to promote international cooperation by preparing and disseminating country information and analyses to industry, potential investors, financial institutions, aid agencies and other entities. As a component of one of the programme instruments identified in the medium-term plan, the subprogramme undertakes economic studies and research on industrial strategy and policy formulation in the various priority areas, particularly in the fields of human resource development, industrial rehabilitation and modernization, small- and medium-scale industries and the environmental aspects of industrialization.

Output and activities

3.223. The subprogramme will carry out two interlinked activities: programming-related studies and policy advisory services.

3.224. The programming-related studies involve surveys and analysis of the industrial sector and evaluations of development potential and constraints in individual countries and groups of countries. The studies seek to define requirements for industry-related technical cooperation and ancillary activities and to formulate country and regional strategies for the operational activities of UNIDO. In this respect, the studies will assume a vital role as a working tool for other organizational units within the Secretariat and, in particular, as a basis for the programming functions exercised by programme 330, Area Programmes and for project formulation by major programme 500, Industrial Operations. The studies to be undertaken will not only enable UNIDO to increase its effectiveness as the central coordinating agency in the field of industrial development but, by virtue of their analytical content, they will also contribute significantly to improved programme and project design, thus complementing the new arrangements proposed by UNDP for technical support services at the programme level.

3.225. Similar exercises in country analysis and programming will be carried out at the request of Governments, bilateral and multinational development agencies, international financial institutions and regional bodies. The analyses will include, but not be confined to, country-specific sectoral and subsectoral analyses, structural analyses and needs assessments related to industrial human resource development. Programming-related studies will also include the implementation of technical support services at the programme level (TSS-1) comprising economic and policy analyses at the country and regional levels to be carried out largely by staff resources. The volume of such services will be a function of current and forthcoming relevant requests; it is estimated, however, that some 15 to 20 such studies will be completed during the biennium.

3.226. The advisory services entail analytical work and policy advisory services to industrial policy makers at national and regional levels. The studies carried out will focus on key issues of policy and institutional reform for industrial development in such areas as: industrial competitiveness, restructuring and modernization; finance for industry; trade in manufactures; private sector development; foreign and domestic investment; industrial services; regional development; and specific aspects of the process of economic transition to a market-based system. Analytical policy and advisory services will be provided at the regional and subregional levels to developing countries in support of ongoing economic integration processes.

3.227. The subprogramme's output will be disseminated in the form of internal documents, client-specific reports or, where appropriate, sales and non-sales publications. One category of output will be the provision of policy services to policy makers and analytical reports on industrial development. A second category will be in the form of reports on potential operational activities, assessing the requirements in that field and identifying a strategic response on the part of UNIDO.

3.228. A third output will the Industrial Development Review series which provides a general survey and brief analysis of the industrial development process in selected countries. In the course of the biennium, twelve reviews will be prepared primarily aimed at providing detailed information and data on the industry sector, information and data to potential investors, industry and banks and multilateral and bilateral agencies. Most reviews will be published and marketed by a commercial publisher.

Coordination

3.229. The subprogramme will cooperate closely with those programmes specifically concerned with programming operational activities (programme 330), industrial investment and feasibility studies (programme 420), and project implementation (major programme 500) in order to facilitate the formulation of UNIDO country strategies and the coordinated delivery of UNIDO services. The arrangements governing technical support services will entail collaboration with programme 330, Area Programmes as well as directly with UNDP and its field offices. Close coordination will also be maintained with other organizations and institutions working in related fields so as to avoid duplication of work. These include: UNCTAD, FAO, ILO, ITC, the regional commissions, regional groupings, the World Bank, the European Investment Bank, the European Bank for Reconstruction and Development, the Asian Development Bank, the Commonwealth Development Corporation, the Commonwealth Secretariat, the Gulf Cooperation Council, the Arab Maghreb Union (UMA), the Arab Industrial Development and Mining Organization (AIDMO), the Preferential Trade Area for Eastern and Southern African States (PTA) and the Latin American Economic System (SELA), as well as research institutes.

Resource requirements

3.230. Despite the growing workload and increasing substantive responsibilities, particularly with respect to TSS-1 activities, and despite developments in the countries of Central and Eastern Europe, responsibility for producing and coordinating the output and activities will be assumed by the staff resources allotted to the subprogramme, the composition of which has been reduced as against the previous biennium. In order to strengthen the field representation of UNIDO, three regional adviser posts (two D-1 posts and one P-5 post), the associated travel allocation ($59,800) and four General Service posts, will be redeployed to subprogramme 336, Field Representation and Coordination for the purpose of establishing three additional UCD offices. One outposted P-4 post has been redeployed to subprogramme 311, while a P-3 post has been transferred from subprogramme 321.

3.231. Consultant requirements ($220,000) are stated in general terms, the subprogramme's work programme and its internal resource allocation being kept flexible so as to permit quick responses to changing research requirements and ad hoc requests. Given the severe limitation upon regular budget funds, extrabudgetary resources will be drawn on to a substantial and increasing degree to finance consultants and, to a certain extent, staff travel. Consultant services will be used to: analyse industrial development trends; assess and compile country-specific data and information for inclusion in country reports, including the Review series; analyse and report on industrial development structures and trends in selected subregions and regions as an input to technical assistance programming at the country level; support staff in the rendering of analytical and advisory services on industrial policies, with special regard to restructuring, industrial competitiveness and regional cooperation; and conduct analyses of current and emerging human resource development requirements in developing countries.

3.232. Staff travel resources ($81,700) are required to fund policy advisory missions, participation in preparatory/programming missions and the collection of data for country programming exercises. They will also be used to cover travel to intergovernmental organizations and research institutions associated with the work of the subprogramme, as well as staff participation in meetings and workshops related to the main areas of research. Certain inputs related to policy studies in Africa will be financed from IDDA resources (see programme 620).

Resource increases/decreases

3.233. Regular budget resources show a decrease of $1,530,100 and operational budget resources a decrease of $181,500. The regular budget decrease is due the redeployment of two D-1 posts ($483,200), one P-5 post ($232,400) and four General Service posts ($414,400) to subprogramme 336, one P-4 post ($199,400) to subprogramme 311 and one P-3 post ($172,200) from subprogramme 321. One P-5 post ($232,400) has been abolished while resources for consultants ($80,700) and the travel of regional and interregional advisers ($59,800) have been decreased. The operational budget decrease is due to the abolition of one P-3 post ($172,200), an increase in consultants ($12,600) and a decrease in staff travel resources ($21,900). The total decrease in resources under this subprogramme amounts to $1,711,600.

Major Programme: 300 PROGRAMME AND PROJECT DEVELOPMENT
Programme: 340 Industrial Policy and Perspectives
Subprogramme: 343 Industrial Statistics and Sectoral Surveys

1994-1995 resource requirements
(In thousands of dollars, at 1993 rates)

Regular and operational budgets

	Staff Prof. wy/ms	Staff GS/Other wy/ms	Cost	Consult.	Meetings	Travel	Other	Total	Previous biennium 1992-1993
RB	18/0	24/0	3,025.2	130.0	0.0	70.0	0.0	3,225.2	3,165.4
OB	2/0	0/0	172.2	0.0	0.0	0.0	0.0	172.2	371.6
Total	20/0	24/0	3,197.4	130.0	0.0	70.0	0.0	3,397.4	3,537.0

Subprogramme description

Introduction

3.234. The responsibilities of this subprogramme include: maintenance and improvements in the statistical databases of UNIDO (35 per cent of the subprogramme's staff resources), the preparation of economic and analytical surveys on key industries (20 per cent of the subprogramme's staff resources) and technical cooperation in those two fields (45 per cent of the subprogramme's staff resources). Emphasis is placed on applied research, technical assistance and provision of statistical indicators tailored to meet the needs of policy makers and manufacturing enterprises. The statistical element in the subprogramme is an integral part of the Organization's information services which is one of the six major programme instruments of UNIDO. Sector studies carried out by the subprogramme are closely linked to priority areas in the medium-term plan: in particular, human resource development, the development and transfer of technology, energy and environment.

Problems addressed

3.235. Information on the manufacturing sector in most developing countries is highly fragmented and frequently incomplete. Many developing countries are in the midst of massive restructuring programmes and the need for comprehensive and detailed data on the manufacturing sector has never been greater. The work of the subprogramme aims to meet the empirical and sectoral needs of data users and analysts in government bodies, manufacturing enterprises and research institutions.

Objectives

3.236. One objective is to improve the statistical capabilities of national statistical agencies, industry associations and chambers of commerce by means of technical assistance projects focusing on data collection, storage, retrieval and dissemination. A second objective is to assist manufacturing enterprises in methods of statistical process control by similar means. A third objective is to disseminate the Organization's own industrial data as widely as possible, both within UNIDO and without. A fourth objective is to provide users with detailed empirical and analytical studies of key industries through the subprogramme's sectoral studies.

Output and activities

3.237. The subprogramme's outputs and activities take several forms: (a) technical assistance to statistical offices, ministries of industry, chambers of commerce and other bodies concerned with the collection and analysis of data; (b) assistance to firms and industries in the application of methods of statistical process control; and (c) activities relating to TSS-1. The subprogramme cooperates closely in those areas with other international institutions and expects to implement several additional projects to be funded by the World Bank and bilateral sources. The volume of technical assistance shows steady growth, being constrained only by the scarcity of funds and a shortage of staff.

3.238. The main statistical outputs are: (a) the Handbook of Industrial Statistics, a biennial publication distributed by a commercial firm; (b) biennial preparation of a United Nations sales publication entitled African Industry in Figures; and (c) a number of non-sales publications such as "Asian Industry in Figures", "Inventory of the UNIDO Data Base" and ad hoc statistical publications. The subprogrammes also prepares several series of industrial indicators which appear in the World Development Report of the World Bank and publications of the United Nations. Machine-readable copies of the UNIDO database are sold to public and private research institutions and manufacturing enterprises.

3.239. Sectoral studies dealing with key manufacturing industries are a third type of output. The publications are global in scope and draw heavily on the Organization's accumulated industrial experience and economic expertise. No comparable type of applied research is carried out by other national or international bodies.

3.240. Beneficiaries of technical assistance are government organizations and officials, data users in the business community and potential investors, both within the country and without. The target group served by sectoral studies and data outputs includes government officials, international agencies, industry analysts and potential investors. The data needs of other international agencies are accommodated through a system of data exchanges. Within UNIDO, the statistical needs of industry specialists or country analysts in major programmes 300, 400 and 500 are supported by maintaining on-line access to the database, by supplying statistical briefs on countries and/or industries and by responding to ad hoc requests from users.

3.241. New forms of technical assistance under development include "business statistics" and business surveys (such as rates of capacity utilization and trends in privatization), and the collection of industry-specific data required by firms and analysts. Such information will also be of considerable relevance within UNIDO, particularly to users in major programme 500.

3.242. The resource decreases in the subprogramme follow on reductions in staffing, consultants and travel imposed over several bienniums which significantly reduces the subprogramme's ability to contribute to project formulation, while its programme of applied research has been scaled back from three sectoral studies per biennium to one.

Coordination

3.243. Coordination within UNIDO is continuous. For sectoral publications, it extends to all major programmes that have technical expertise in the industry under study. Coordination will be maintained with subprogrammes concerned with the development of UNIDO country strategies, through provision of data and findings of sectoral studies. In the case of data collection, contact with national statistical offices is continuous. Coordination with other international bodies is achieved through the ACC Subcommittee on Statistical Activities and the International Statistical Institute.

Resource requirements

3.244. Responsibility for producing and coordinating the output and activities will be assumed by the staff attached to the subprogramme, the composition of which has undergone some change. The staff will be supported by external consultants ($130,000) who will contribute to developing improved statistical and computerized systems for data collection, storage, retrieval and dissemination as well as provide empirical and analytical inputs to sectoral surveys on subjects that require specialized knowledge of the sector.

3.245. No meetings are foreseen in 1994-1995, whereas travel funds ($70,000) will be required. One purpose will he to coordinate data-collection activities with other international agencies through attendance at the Statistical Commission (New York, 1995) and the ACC Sub-Committee on Statistics (1994 and 1995). The travel resources will also be utilized to attend essential meetings and seminars dealing with methods of data storage and the development of software for use in industrial censuses, and to augment staff skills in relevant areas. The printing and EDP-related requirements are managed centrally at the level of programme 344 and programme 311, respectively.

Resource increases/decreases

3.246. The regular budget shows an increase of $59,800 and the operational budget a decrease of $199,400. The regular budget increase is due to the redeployment of a P-3 post ($172,200) from subprogramme 311 that has been largely offset by a reduction in consultants ($56,800), meetings ($22,000) and travel ($33,600). The operational budget decrease is due to the abolition of one P-4 post ($199,400). The total decrease in resources under this subprogramme amounts to $139,600.

Major Programme: 300 PROGRAMME AND PROJECT DEVELOPMENT
Programme: 340 Industrial Policy and Perspectives
Subprogramme: 344 Office of the Director

1994-1995 resource requirements
(In thousands of dollars, at 1993 rates)

Regular and operational budgets

	Staff								
	Prof. wy/ms	GS/Other wy/ms	Cost	Consult.	Meetings	Travel	Other	Total	Previous biennium 1992-1993
RB	2/0	2/0	363.4	0.0	0.0	16.8	306.4	686.6	936.4
OB	0/0	0/0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total	2/0	2/0	363.4	0.0	0.0	16.8	306.4	686.6	936.4

Subprogramme description

Introduction

3.247. As indicated by its title, the subprogramme is responsible for directing, coordinating and integrating the activities carried out under the three component subprogrammes (Global Issues and Policy Analysis (341), Regional and Country Studies (342) and Industrial Statistics and Sectoral Surveys (343)). It also ensures close coordination with other programmes in major programmes 300 and with other programmes throughout the Organization. The subprogramme also liaises with other international organizations and national institutions on all matters relevant to the programme.

3.248. In addition, the subprogramme ensures efficient management of subordinate subprogrammes in terms of adherence to procedures, rules and regulations, management of staff resources, control of expenditure of funds, and timely implementation of programmed activities.

Problems addressed

3.249. With the changing conditions and modalities of technical cooperation and other services of UNIDO, an increasing need arises for closer linkage between the activities of programme 340 and the programming and project preparation activities being undertaken by other programmes and major programmes. Moreover, it is essential that the economic research findings and statistical data collected by the programme enjoy greater application than hitherto in national policy-making and related advisory services. The subprogramme thus has to ensure effective substantive coordination within the programme and within the Organization at large and increase the direct applicability of the three subprogrammes' activities to the policy-making process in developing countries.

3.250. With the move away from the administration of technical cooperation projects, the Organization needs to develop capacity to render policy advice at the sector and subsector levels; hence it needs to improve its study and analytical capabilities. Consequently, within the context of its secondary objective, the subprogramme will endeavour to address the shift in the Organization's role as an executing agency and establish ways and means of increasing its contribution to the determination of the developing countries' long-term development objectives. With the limited role accorded to UNIDO in procuring goods and services for nationally executed projects and given the trend towards greater reliance on the private sector as the engine of growth, UNIDO has to compete more than ever before with other agencies, both public and private, at a time when the most appropriate industrial development role for governments and, by extension, for intergovernmental bodies such as UNIDO is being reassessed. The emergence of the UNDP facility for rendering technical services at the programme level (TSS-1) under the successor arrangements for agency support costs thus gives UNIDO an opportunity to provide the United Nations development system with upstream studies of a policy nature that could significantly affect the character and quality of technical cooperation programmes: an undertaking that will be of prime concern to the subprogramme in its search for new concepts and approaches.

Objectives

3.251. The main objective of this subprogramme is to promote, coordinate and supervise the planning and implementation of the activities of the three component subprogrammes. Another objective is to plan and develop new concepts, analyses and approaches that can further promote and extend the activities of the programme in response to the new direction set for studies and research in the medium-term plan.

Output and activities

3.252. In keeping with its primary objective, the subprogramme supports, strengthens and guides the component subprogrammes in order to meet established organizational and major programme targets. It establishes procedures and provides directions to the component subprogrammes so as to overcome operational and other problems and ensure full implementation of activities undertaken by the programme. It prepares the programme's contributions to the medium-term plan, biennial programme budget, implementation reviews and reports to the policy-making organs. It monitors on a continuous basis the outputs of the programme and ensures the effective coordination of the component subprogrammes as well as their cooperation with other programmes, both within UNIDO and without. It also determines the quality of work, draws up travel programmes and allocates resources.

Coordination

3.253. The activities of the programme are undertaken on the basis of close collaboration between the component subprogrammes and, as far as possible, with other programmes in the Organization and relevant Governments and international organizations, as indicated under each subprogramme.

Resource requirements

3.254. Responsibility for the activities described above will be assumed by the staff attached to the subprogramme. Funds ($16,800) are required for staff travel, while the printing resources ($306,400) relate to the programme as a whole and are administered centrally by the subprogramme. Their magnitude reflects the major tasks being performed by the programme in terms of studies and information processing and dissemination.

Resource increases/decreases

3.255. Regular budget resources show a decrease of ($249,800) which reflects reduced printing requirements ($250,000) in the component subprogrammes (achieved by reducing and streamlining printed output) and a slight increase in the representation allowance ($200). There are no operational budget resources in the subprogramme.

Major Programme: 300 PROGRAMME AND PROJECT DEVELOPMENT
Programme: 350 Industrial Cooperation and Funds Mobilization

1994-1995 resource requirements
(In thousands of dollars, at 1993 rates)

Regular and operational budgets

	Staff Prof. wy/ms	GS/Other wy/ms	Cost	Consult.	Meetings	Travel	Other	Total	Previous biennium 1992-1993
RB	18/0	20/0	2,875.4	20.0	0.0	111.9	15.0	3,022.3	3,094.1
OB	16/0	12/0	2,368.4	0.0	0.0	0.0	0.0	2,368.4	2,665.0
Total	34/0	32/0	5,243.8	20.0	0.0	111.9	15.0	5,390.7	5,759.1

By subprogramme

	Staff Prof. wy/ms	GS/Other wy/ms	Cost	Consult.	Meetings	Travel	Other	Total	Previous biennium 1992-1993
351 Industrial Cooperation and Management Services	14/0	12/0	2,062.0	20.0	0.0	46.4	0.0	2,128.4	2,467.9
352 Industrial Enterprises and NGOs	6/0	4/0	811.2	0.0	0.0	18.0	0.0	829.2	855.1
353 IDF Mobilization and Funds Management	10/0	12/0	1,662.0	0.0	0.0	29.2	0.0	1,691.2	1,691.2
354 Office of the Director	4/0	4/0	708.6	0.0	0.0	18.3	15.0	741.9	744.9
Total	34/0	32/0	5,243.8	20.0	0.0	111.9	15.0	5,390.7	5,759.1

Programme description

Development objectives

3.256. The aim of this programme is to mobilize the international flow of development resources required for expanding and modernizing industry in developing countries. Within that broad context, the objective of UNIDO is to formulate programmes and projects which will mobilize and channel technical, managerial and financial resources through UNIDO operational activities for industrial development in the developing countries. In addition to mobilizing grant aid for operational activities, emphasis will be given to providing direct support to the enterprise sector and tapping the resources of business and industrial communities, including non-governmental organizations and public and private sector enterprises, as an augmentation of the activities of UNIDO.

Relationship to medium-term plan priorities

3.257. By its very nature, the programme is directly related to all medium-term-plan priorities. Direct services under trust fund arrangements to manufacturing enterprises devote special attention to human resource development through on-the-job training, improvement of environmental protection and energy efficiency, transfer and adaptation of new technologies, and modernization and rehabilitation of industrial plants and equipment. Emphasis will also be given to the mobilization of IDF resources on a more programmatic basis through the development of subsectoral and thematic programme frameworks against which donor pledges can be secured: an example of the latter case is the environment programme of UNIDO.

New features

3.258. In promoting and developing projects under the Industrial Development Fund, donors are showing a growing tendency to support the subsectoral and thematic programme approach, such as that adopted in the Environment Programme. In that connection and in accordance with Organization-wide policy, the programme will devote efforts to securing environment-related resources from such international funding mechanisms as the Global Environment Facility and the Montreal Protocol Fund. Following the positive results achieved in providing procurement and industrial management services to the World Bank in the previous biennium, the services offered by the Organization will continue to expand and extend to other financing institutions over the budget period.

Variation over the previous biennium

3.259. The increasing share of non-UNDP programme and projects, in particular under IDF and trust fund arrangements, is expected to continue throughout the budget period. Furthermore, the programme has undergone some reconfiguration with the transfer of former subprogramme 352, Integration of Women in Industrial Development to the cross-sectoral programme 320, Special Measures and Activities and the separation of former subprogramme 351, Industrial Cooperation and Management Services into two subprogrammes 351, Industrial Cooperation and Management Services and 352, Industrial Enterprises and NGOs. The changes as described in the Director-General's Bulletin UNIDO/DG/B.156 are intended to enable the programme to focus better on its resource-mobilization role. Overall, regular budget resources have decreased by $71,800 and operational budget resources have likewise decreased by $296,600. Detailed explanations of the variations in resource requirements are given under the individual subprogrammes.

Major Programme: 300 PROGRAMME AND PROJECT DEVELOPMENT
Programme: 350 Industrial Cooperation and Funds Mobilization
Subprogramme: 351 Industrial Cooperation and Management Services

1994-1995 resource requirements
(In thousands of dollars, at 1993 rates)

Regular and operational budgets

	Staff Prof. wy/ms	GS/Other wy/ms	Cost	Consult.	Meetings	Travel	Other	Total	Previous biennium 1992-1993
RB	6/0	4/0	751.0	20.0	0.0	46.4	0.0	817.4	924.2
OB	8/0	8/0	1,311.0	0.0	0.0	0.0	0.0	1,311.0	1,543.7
Total	14/0	12/0	2,062.0	20.0	0.0	46.4	0.0	2,128.4	2,467.9

Subprogramme description

Introduction

3.260. This subprogramme is part of the Organization's strategy to develop mechanisms that will enhance its direct usefulness to industrialists and entrepreneurs in the developing countries and to mobilize resources that will supplement those normally available under traditional grant aid schemes. The subprogramme promotes industrial cooperation in the broadest sense of the term and provides useful services to manufacturing industry in the developing countries through self-financed or other special trust fund schemes.

3.261. The subprogramme addresses the medium-term plan priority of increasing the flow of financial resources for industrial development to the developing countries and attracts additional funds for the realization of the other medium-term plan objectives. Furthermore, it responds to General Assembly resolutions 45/196 and 45/199 that recognize the contribution of the special trust fund schemes of UNIDO as alternatives to traditional assistance programmes and the importance of increasing the flow of development finance to the developing countries, respectively. The industrial cooperation schemes and special trust fund mechanisms developed by the subprogramme are in direct response to the General Conference resolution GC.4/Res.19 that stressed the need for UNIDO to introduce new types of industrial cooperation for the mobilization of financial resources for developing countries.

Problems addressed

3.262. Increasing the flow of technical, managerial and financial resources for industrial development to the developing countries is constrained for want of new and effective mechanisms that complement traditional grant aid schemes. Whereas conventional technical cooperation projects are geared to serving Governments and their national institutions, the requirements of developing country manufacturers and industrial plants, in both the public and private sectors, call for a more adaptable and speedier form of assistance. Despite their being used to finance general support to the development of the private sector, multilateral funds cannot be drawn on to provide direct support to individual private entrepreneurs in view of the latter's profit orientation. Moreover, the grants available are often too small in relation to the size of inputs required to solve the problems of individual industrial enterprises. Finally, the long lead times needed to gain access to multilateral grant aid often compel even parastatal or public sector companies to seek assistance through other sources. It is thus incumbent upon UNIDO to place its experience and wide network of contacts at the disposal of industrial enterprises in the developing countries which can then use their own funds or draw on funds available from development finance institutions.

3.263. It is equally incumbent upon UNIDO to develop broader industrial cooperation schemes that link technical assistance to industrial investment projects, involving financial and technical collaboration either between partners from two developing countries or between a developing country and an industrialized country. As a unique and impartial intermediary, free of the profit motive and commercial pressures, UNIDO can play a role that is beneficial to both parties. In some cases, UNIDO may be called upon to provide technical assistance complementing cooperation arrangements that industrial partners have already entered into. Provided they ensure both flexibility and speed, such schemes for industrial cooperation and management services are likely to attract additional financing for industrial development in the developing countries.

Objectives

3.264. Within the overall aim of increasing the resources available for industrial development and linking technical assistance to industrial investment, the subprogramme has three objectives: (a) to provide direct support and services to manufacturing plants in developing countries for improved performance, technology sourcing, procurement, training, rehabilitation and expansion; (b) to serve development finance institutions by helping them implement the technical assistance component of their loans and by providing management services such as plant operation, rehabilitation and equipment procurement services to the industrial projects they finance; and (c) to provide management services to donor agencies, non-governmental organizations and enterprises for the design and implementation of programmes and projects responsive to developing country industry needs.

Output and activities

3.265. The subprogramme's outputs and activities fall into the same three categories as its objectives. The first category comprises industrial cooperation projects, self-financed or third-party financed, designed and executed by UNIDO with the primary aim of enhancing the growth and viability of the enterprise sector in the developing countries. Through these projects, UNIDO will provide services, ranging from process technologies (including those related to raw materials processing), technical know-how, technical services, expert advice, expert teams for plant operation and management, and procurement of equipment, machinery and spare parts. These services may also include advice on and assistance in project financing and financial management.

3.266. The second category relates to the identification, development, negotiation and monitoring of industrial cooperation projects executed by UNIDO and financed by national, regional and international development finance institutions under third-party financed trust fund schemes.

3.267. The third category encompasses the identification, development, negotiation and monitoring of UNIDO executed projects that provide the necessary advisory and project management services to larger industrial cooperation projects involving mechanisms such as joint ventures, profit-sharing partnerships and build-operate-transfer (BOT) arrangements that are funded under self-financed or third-party financed trust fund schemes.

3.268. The subprogramme's activities include project development work carried out as an integral part of attracting trust fund contributions for the services of UNIDO. This includes evaluating and analysing the needs of potential client companies, development finance institutions and donor agencies on the one hand, and assessing suppliers' resources and capabilities on the other. The outcome of direct negotiations with both sides serves as a basis for project design and formulation. Further work is carried out to secure all arrangements needed to implement the technical assistance or investment project and to finalize the trust fund agreement and project approval. Thereafter, project implementation is closely monitored to ensure that the project progresses as planned and that the recipient, donor and supplier cooperate harmoniously and are fully satisfied with the inputs and efforts of UNIDO as project executing agency.

3.269. In line with the approved new concepts and approaches for cooperation in industrial development in conformity with Article 2 (c) of the Constitution (see General Conference resolution GC.4/Res.19), the subprogramme will develop practical schemes for promoting industrial cooperation by combining the Organization's own technical and financial engineering expertise and managerial capacity with the financial potential and technological know-how of enterprises so as to generate new types of enterprise-level cooperation. UNIDO, together with companies capable of offering technical, managerial and financial assistance, will carry out fact-finding missions and pre-investment studies in order to identify viable investment projects for UNIDO execution.

3.270. Optimum use will be made of national experts strategically placed in industry associations and chambers of commerce in the developing countries and of Headquarters-based special technical advisers and interregional advisers for the development of trust fund projects. Consultants will be engaged for special UNIDO services such as procurement services for Governments, public sector bodies and private industry and, wherever necessary, to develop special programmes for such priority areas as energy, environment, human resource development, raw materials processing and construction industries.

3.271. The performance of the subprogramme will be reflected in the increasing volume and diversity of trust fund agreements concluded and implemented. Specifically, the growth of trust funds and the increasing use by development banks and donor agencies of the services of UNIDO would reflect the quality of those services, while greater participation of companies, associations and other non governmental organizations would be a good achievement indicator for the Organization's enterprise-level cooperation schemes.

Coordination

3.272. Given its spearhead role in promoting industrial cooperation, and in developing, implementing and monitoring trust fund projects, this subprogramme will cooperate closely with the relevant subprogrammes throughout the Organization. In matters relating to project implementation it will cooperate with major programmes 400 and 500 and in matters relating to industrial investment with programme 420, Industrial Investment. In matters relating to project development it will cooperate with programme 330, Area Programmes and subprogrammes 312, Programme and Project Appraisal, 322, Integration of Women in Industrial Development and 353, IDF Mobilization and Funds Management Section, and in matters relating to project approval with subprogrammes 214, Legal Service and 832, Financial Management of Technical Cooperation.

Resource requirements

3.273. Responsibility for coordinating and producing the output and activities will be assumed by the staff attached to the subprogramme, the composition of which has changed following the creation of subprogramme 352, Industrial Enterprises and Non-Governmental Organizations. Depending on the demand for services, extrabudgetary funds may be used to strengthen the subprogramme, further to which consultant funds ($20,000) will be used to secure specialist advice on project design and formulation, as well as to provide services and develop special programmes in priority areas.

3.274. Travel funds ($46,400) will be used to fund missions related to: project development and negotiation; timely and qualitatively competent implementation of self-financed and third-party financed trust fund projects; and contacts and cooperation activities with industrial enterprises, development financing institutions and non-governmental organizations.

Resource increases/decreases

3.275. The regular budget shows a decrease of $106,800 and the operational budget a decrease of $232,700. The regular budget decrease is due to the abolition of one P-2 post ($133,800), and an increase in consultants ($20,000) and travel resources ($7,000). The operational budget decrease is due to the abolition of one General Service post ($103,600), as well as a decrease in consultant ($47,500) and travel resources ($81,600). The total decrease of resources under this subprogramme amounts to $339,500.

Major Programme: 300 PROGRAMME AND PROJECT DEVELOPMENT
Programme: 350 Industrial Cooperation and Funds Mobilization
Subprogramme: 352 Industrial Enterprises and NGOs

1994-1995 resource requirements
(In thousands of dollars, at 1993 rates)

Regular and operational budgets

	Staff								
	Prof. wy/ms	GS/Other wy/ms	Cost	Consult.	Meetings	Travel	Other	Total	Previous biennium 1992-1993
RB	6/0	4/0	811.2	0.0	0.0	18.0	0.0	829.2	811.2
OB	0/0	0/0	0.0	0.0	0.0	0.0	0.0	0.0	43.9
Total	6/0	4/0	811.2	0.0	0.0	18.0	0.0	829.2	855.1

Subprogramme description

Introduction

3.276. UNIDO plays a pronounced catalytic role, mobilizing the flow to developing countries of technical, managerial and financial resources available in enterprises and industrial federations from developed countries. This role, particularly the promotion of enterprise-to-enterprise cooperation, is one of the two main thrusts of the subprogramme.

3.277. Similarly, national and international non-governmental organizations which include industrial federations/associations, chambers of commerce and industry, financial institutions, research and development institutes and universities are among the most important UNIDO constituents. The experience, resources and the wealth of information available to them in all sectors of industry provide a valuable input to the work of UNIDO and their support and participation is a critical element in the implementation of UNIDO programmes, projects and activities.

3.278. The new ideas and approaches realized by this subprogramme are reflected in the establishment of the Centres for International Industrial Cooperation at Beijing and Moscow. Those centres have proven to be excellent vehicles for the establishment of enterprise-to-enterprise cooperation promoting, inter alia, the exchange of industrial know-how between the host countries and industrialized and developing countries, furthering industrial investment and facilitating privatization.

3.279. The increasingly rapid shift from State-owned industries to the development of private-sector industries now taking place in many developing countries has led to an increasing interest in the activities of UNIDO on the part of industrial enterprises and non-governmental organizations in both developing and industrialized countries. This renewed interest was a determining factor in the decision to re-establish the subprogramme.

Problems addressed

3.280. Developing countries frequently lack information on the potential offered by industrial enterprises and non-governmental organizations in other countries in terms of expertise, finance, technology, training facilities, specific skills and equipment. They also frequently lack the knowledge needed to identify, approach and negotiate cooperation agreements effectively with those organizations. This shortcoming is often matched by scarcity of information on the part of industrial enterprises and non-governmental organizations from developed countries on the industrial needs and opportunities available in developing countries. It is therefore essential that optimal use be made of the resources available in potential donor industrial enterprises and non-governmental organizations and that they be incorporated in the activities of UNIDO in order to build up a structure for long-term cooperation between UNIDO and industrial enterprises and non-governmental organizations from developed and developing countries, as well as among the cooperating partners themselves.

Objectives

3.281. One objective of the subprogramme is to mobilize and channel the technical, technological, managerial and financial resources available in industrial enterprises and non-governmental organizations in support of the industrialization process of developing countries. This is achieved through the establishment of closer working relations with industrial enterprises and their associations in both developed and developing countries. Another objective is to promote the participation of national and international non-governmental organizations in the promotional and technical assistance activities of UNIDO.

Output and activities

3.282. The work of the subprogramme is directed towards emphasizing direct contacts between UNIDO and individual industrial enterprises as well as with non-governmental organizations such as industrial associations, consulting organizations, chambers of commerce and industry from both developed and developing countries in order to identify, inter alia, their available technical, technological, managerial and financial resources on the one hand, and the industrialization needs and requirements of developing countries, particularly least developed countries, on the other. The subprogramme plays a catalytic role, matching resources offered with resources sought.

3.283. During the biennium, the subprogramme will continue to expand the UNIDO roster of industrial enterprises in industrialized and developing countries willing to make available to the Organization their technical, managerial and other expertise related to specific subsectors of industry or specific priority areas identified in the medium-term plan. In a similar manner, the subprogramme will also continue to expand the UNIDO roster of industrial associations, economic federations and other non-governmental organizations in industrialized countries through which UNIDO can secure the services of member organizations in the subsectors and priority areas mentioned above. The information and data gathered during the expansion of the rosters will be disseminated internally to promote the utilization of capacities offered by the enterprises and non-governmental organizations in the operational activities of UNIDO.

3.284. The subprogramme will also promote close working relationships with a growing number of State-owned industries in the republics of the Commonwealth of Independent States, in the countries of Eastern and Central Europe and in the developing countries to assist those industries in their privatization and modernization endeavours and to mobilize their technical expertise for the industrial development of other developing countries in need of such assistance.

3.285. Following the pattern established by the UNIDO Centres for International Industrial Cooperation at Moscow and Beijing, the subprogramme will seek to establish two or three similar major centres in selected industrialized and developing countries.

3.286. The subprogramme will submit to the policy-making organs applications for consultative status with UNIDO submitted by international and national non-governmental organizations.

Coordination

3.287. In addition to maintaining close contacts with its external constituents (enterprises and non-governmental organizations), the subprogramme coordinates its activities with the organizational units responsible for programming (programme 330 Area Programmes), for resource mobilization (subprogramme 353) and for the development and implementation of operational activities (major programmes 400 and 500).

Resource requirements

3.288. Responsibility for coordinating and producing the output and activities will be assumed by the staff attached to the subprogramme which will require travel funds ($18,000) to fund missions to establish contacts and set up joint activities with industrial enterprises, development financing institutions and non-governmental organizations.

Resource increases/decreases

3.289. The regular budget has increased by $18,000 in terms of staff travel resources. The operational budget has decreased by $43,900, likewise under staff travel resources. The total decrease of resources under this subprogramme amounts to $25,900.

Major Programme: 300 PROGRAMME AND PROJECT DEVELOPMENT
Programme: 350 Industrial Cooperation and Funds Mobilization
Subprogramme: 353 IDF Mobilization and Funds Management

1994-1995 resource requirements
(In thousands of dollars, at 1993 rates)

Regular and operational budgets

	Staff Prof. wy/ms	Staff GS/Other wy/ms	Cost	Consult.	Meetings	Travel	Other	Total	Previous biennium 1992-1993
RB	4/0	8/0	846.2	0.0	0.0	29.2	0.0	875.4	846.2
OB	6/0	4/0	815.8	0.0	0.0	0.0	0.0	815.8	845.0
Total	10/0	12/0	1,662.0	0.0	0.0	29.2	0.0	1,691.2	1,691.2

Subprogramme description

Introduction

3.290. This subprogramme relates directly to one of the three elements common to industrial development included in the medium-term plan: the mobilization of financial resources for industrial development. The

Industrial Development Fund (IDF) and the regular programme of technical cooperation are the only sources of programmable and flexible funding for operational activities managed by the Organization. These sources of funds are thus instruments for orienting UNIDO technical cooperation activities towards priority programmes and projects in accordance with the medium-term plan and the programme frameworks elaborated to implement the priority areas and common themes identified in that plan. In the light of zero growth budgets and the uncertainties surrounding the UNDP successor arrangements for agency support costs referred to in the medium-term plan, mobilizing additional resources through IDF takes on particular significance.

Problems addressed

3.291. In order to achieve the objectives of the medium-term plan and translate its priorities into concrete operational activities, the Organization needs to dispose of adequate extrabudgetary financial resources for technical cooperation in terms of quantity, programmability and stability. IDF is the mechanism for mobilizing such financial resources of a programmable nature. Regular negotiations with contributing Governments and other funding sources are necessary in order to secure a stable inflow of resources and provide for the programmability of funds, particularly in the form of multi-year pledges, general-purpose convertible resources, umbrella contributions for specific priority programmes and projects and pledges to the medium-term plan programme frameworks.

3.292. The regular programme of technical cooperation (see programme 610) is used in close complementarity with other sources of funds, in particular IDF, as requested by the Board in decision IDB.9/Dec 7. This complementarity between different funds is essential to securing the maximum positive impact of UNIDO technical cooperation activities and an optimum management of resources.

3.293. The General Conference recommended that the integrated programme approach be promoted under IDF so that the Organization can plan and implement its technical cooperation activities in a more efficient and cost-effective manner. The importance of the programme approach within the framework of programme development and management is also accorded special attention in the medium-term plan. Application of the programme approach includes the elaboration and implementation of sectoral, thematic and integrated programmes in preference to individual isolated projects. The subprogramme therefore must provide the link with the donors in order to secure financing for programme components in a coordinated and timely manner.

Objectives

3.294. The objective of the subprogramme is to mobilize financial resources for the operational activities of the Organization focusing on the five priority areas and three common themes of the medium-term plan, thereby promoting the implementation of the corresponding thematic programmes. The subprogramme is also responsible for the effective management of UNIDO administered sources of funds.

Output and activities

3.295. The subprogramme is responsible for establishing and maintaining a dialogue between contributors and the Organization on the substantive and financial aspects of IDF sponsored programmes of technical cooperation in order to facilitate agreement on programming lines and priorities. It is also responsible for ensuring the continuous exchange of information between UNIDO and donors regarding the progress of projects and programmes. The General Conference urged Member States to consider specific ways and means of ensuring that the desirable funding levels of $50 million for IDF and of $10 million for the general convertible segment of the Fund be reached as soon as possible. The subprogramme is therefore committed to the task of identifying new financing sources and securing additional pledges from existing donors.

3.296. The subprogramme is also responsible for administering the regular programme of technical cooperation in an amount equivalent to 6 per cent of the total of the regular budget of UNIDO. Those resources have to be managed effectively and programmed on the basis of the priority criteria established by the legislative bodies, in particular with regard to their use in close complementarity with other sources of funds. The subprogramme is also the focal point for the management of the Special Industrial Services programme, through which UNDP provides $15 million for each five-year programming cycle to be programmed and implemented by UNIDO in accordance with jointly agreed criteria and guidelines. Effective programming in compliance with those guidelines is necessary for ensuring the continuation of the programme and its funding by UNDP.

3.297. Given its relationship to these three sources of funds, one of the subprogramme's key functions is to promote their complementary use and ensure an appropriate mix of UNIDO administered funds, in particular the general- and special-purpose segments of IDF, trust funds and the regular programme of technical cooperation. It thus follows that its activities fall into three distinct, yet closely interrelated categories of activity.

3.298. In the context of its IDF donor-related activities, the subprogramme engages in policy-level dialogue with contributors on programming lines and priorities, and negotiates contributions aimed at assisting the Organization to meet developing country requests for assistance promptly and flexibly. It seeks to widen the resource base by securing larger pledges from a greater number of contributing Governments, regional and international development finance institutions and other funding sources. The subprogramme promotes the financing of integrated programmes which address a number of related problems affecting an industrial subsector or system through interrelated and complementary technical cooperation and investment-related activities. It facilitates the exchange of information between the Organization and contributors in order to ensure the development of programmes and projects that serve the interests of developing countries while falling within the funding priorities of the donor community.

3.299. Within the broader context of funds management, the subprogramme assumes responsibility for managing UNIDO-administered sources of funds effectively and ensuring compliance with the mandates of the legislative bodies and the UNDP guidelines governing the use of SIS funds. It also ensures complementarity in programming UNIDO managed funds and promotes their use as seed money so as to attract further financial resources. It takes steps to ensure that resources are channelled to developing countries in a regionally balanced manner, while coordinating contributions in order to ensure complementarity between those contributions and bilateral/multilateral assistance provided by other organizations. In that connection, it is also responsible for managing environment-related resources from such funding sources as the Global Environment Facility and Montreal Protocol Fund. It also monitors, in close cooperation with Financial Services, the current status and programming balances of each source of funds so as to ensure timely and full approvals while not exceeding financial appropriations.

3.300. In its function as secretariat to the Programme and Project Review Committee, the subprogramme reports on all aspects related to funds management and gives advice to the Committee on the most appropriate source of funding for projects and programmes. It ensures that the projects presented to IDF donors conform with the strict quality criteria of the Organization as laid down by the established mechanisms for appraisal, monitoring and evaluation. It also develops guidelines as well as legal and administrative procedures for the management of IDF and the regular programme of technical cooperation, in addition to preparing advisory notes on policy issues regarding UNIDO administered funds.

Coordination

3.301. The subprogramme cooperates and coordinates extensively with the other subprogrammes in programme 350, as well as with 330, Area Programmes and subprogramme 312, Programme and Project Appraisal and subprogramme 342, Regional and Country Studies. It also liaises closely with major programmes 400, Industrial Promotion, Consultations and Technology and 500, Industrial Operations on project/programme development and on project implementation, monitoring and reporting, while cooperating with subprogramme 832, Financial Management of Technical Cooperation on project financing and subprogramme 214, Legal Service on legal matters. The subprogramme assumes a key role in coordinating contacts with the donors on the activities of the various subprogrammes and programmes of UNIDO. It also coordinates with UNDP on Special Industrial Services (SIS).

Resource requirements

3.302. Responsibility for coordinating and producing the output and activities will be assumed by the staff attached to the subprogramme which will require travel funds ($29,200) to finance promotional visits to donor countries in connection with the programming of contributions and negotiation of possible areas of cooperation.

Resource increases/decreases

3.303. The regular budget shows an increase of $29,200 in staff travel resources. Operational budget has been decreased by the same amount under the same heading. The total resources under this subprogramme are the same as previous biennium.

Major Programme: 300 PROGRAMME AND PROJECT DEVELOPMENT
Programme: 350 Industrial Cooperation and Funds Mobilization
Subprogramme: 354 Office of the Director

1994-1995 resource requirements
(In thousands of dollars, at 1993 rates)

Regular and operational budgets

	Staff Prof. wy/ms	GS/Other wy/ms	Cost	Consult.	Meetings	Travel	Other	Total	Previous biennium 1992-1993
RB	2/0	4/0	467.0	0.0	0.0	18.3	15.0	500.3	512.5
OB	2/0	0/0	241.6	0.0	0.0	0.0	0.0	241.6	232.4
Total	4/0	4/0	708.6	0.0	0.0	18.3	15.0	741.9	744.9

Subprogramme description

Introduction

3.304. This subprogramme is responsible for directing, coordinating and integrating the activities carried out under the three component subprogrammes (Industrial Cooperation and Management Services (351) Industrial Enterprises and NGO (352) and IDF Mobilization and Funds Management (353)). It guides the development and operation of innovative mechanisms for promoting industrial development and mobilizing funds from non-IPF resources, including strengthening enterprise-level cooperation, both in the public and private sectors. It ensures close coordination with the other programmes in major programme 300 and with other programmes throughout the Organization. The subprogramme also liaises with other external organizations and institutions on all matters relevant to the programme.

3.305. In addition, the subprogramme ensures efficient management of subordinate subprogrammes in terms of adherence to procedures, rules and regulations, management of staff resources, control of expenditure of funds, and timely implementation of programmed activities.

Problems addressed

3.306. In order to mobilize funds effectively under IDF and trust fund arrangements, it is essential to establish the credibility of the Organization and create an atmosphere of mutual confidence with contributing Governments, non-governmental organizations, financial institutions, industrial associations and public and private enterprises. Other problems confronting the subprogramme include that of ensuring the smooth and effective operation of the programme, in an environment characterized by ever-increasing workload without a corresponding increase in staff and other resources. Closely allied to that are the administrative problems related to ensuring effective coordination and mobilizing resources which demand clear instructions and adherence to procedures, while the increasing complexity of technical cooperation activities and the adoption of an integrated approach bear major implications in terms of coordination and effective implementation.

Objectives

3.307. The objective of the subprogramme is to provide guidance on, and generate innovative ideas for, the promotion and generation of programmes and projects financed from voluntary contributions by contributing Governments, non-governmental organizations, financing institutions, industrial associations and enterprises. Given that the total volume of non-UNDP financed projects is expected to increase rapidly in relation to the volume of UNDP-financed projects, the office aims at the effective coordination of the component subprogrammes and other subprogrammes and their integration with the quantitative and qualitative objectives of the Organization.

Output and activities

3.308. The output of the subprogramme is reflected in the performance of the subprogrammes it manages. The subprogramme supports and guides the component subprogrammes in order to meet established organizational and major programme targets. It establishes procedures and provides direction to the component subprogrammes so as to overcome operational and other problems and ensure full implementation of activities undertaken by the programme. It also conducts on a quarterly basis informative and consultative briefing and review meetings with IDF contributing Governments at UNIDO Headquarters.

3.309. Throughout the budget period, the subprogramme will promote projects: its association extending from the identification of technical assistance requirements through to the arrangement of financing and implementation by UNIDO. It will also promote, develop and negotiate projects to be financed under IDF and trust fund arrangements.

Coordination

3.310. In coordinating the development of IDF and trust fund programmes and projects, close contacts are maintained with the appropriate subprogrammes in major programmes 400 and 500 and programme 300, Area Programmes, as well as with the subprogrammes 214, Legal Service and 832, Financial Management of Technical Cooperation to determine the viability of project proposals and their possible rejection. Similarly, coordination efforts are also undertaken with development financing institutions and regional development banks with a view to arranging the provision of technical assistance and management and other services in areas where UNIDO has particular competence and strength. The subprogramme also coordinates with programme 150, Public Relations and Information and provides information material on project highlights and achievements for dissemination to Member States and the public at large.

Resource requirements

3.311. Responsibility for coordinating and producing the output and activities will be assumed by the staff attached to the subprogramme. In addition to staff resources, travel funds ($18,300) are needed to fund promotional contacts with donors and partners, in particular with financing institutions. The joint printing funds ($15,000) relate to the programme as a whole and are centrally administered under this subprogramme.

Resource increases/decreases

3.312. Regular budget shows a decrease of $12,200, and operational budget resources an increase of $9,200. The regular budget decrease is due to an increase in the representation allowance ($200) and a decrease in joint printing funds ($12,400). The operational budget increase is due to the redeployment of one D-1 post ($241,600) from subprogramme 410 which has been largely offset by the abolition of one P-5 post ($232,400). The total decrease of resources under this subprogramme amounts to $3,000.

Major Programme: 400 INDUSTRIAL PROMOTION, CONSULTATIONS AND TECHNOLOGY

1994-1995 resource requirements
(In thousands of dollars, at 1993 rates)

	Staff								
	Prof. wy/ms	GS/Other wy/ms	Cost	Consult.	Meetings	Travel	Other	Total	Previous biennium 1992-1993
RB	130/0	85/7	17,334.7	1,000.5	439.6	637.4	913.3	20,325.5	20,238.4
OB	8/0	34/0	2,651.3	305.7	171.7	159.2	361.4	3,649.3	5,437.7
Total	138/0	119/7	19,986.0	1,306.2	611.3	796.6	1,274.7	23,974.8	25,676.1

By programme

	Staff								
	Prof. wy/ms	GS/Other wy/ms	Cost	Consult.	Meetings	Travel	Other	Total	Previous biennium 1992-1993
410 Office of the Deputy Director-General	6/0	6/1	959.4	0.0	0.0	33.0	591.3	1,583.7	1,802.4
420 Industrial Investment	50/0	42/6	7,123.4	279.3	0.0	186.1	85.3	7,674.1	8,041.1
430 System of Consultations	32/0	24/7	4,547.6	332.0	330.7	352.7	146.1	5,709.1	6,165.7
440 Technology Development and Promotion	50/0	46/5	7,355.6	694.9	280.6	224.8	452.0	9,007.9	9,666.9
Total	138/0	119/7	19,986.0	1,306.2	611.3	796.6	1,274.7	23,974.8	25,676.1

Major programme description

Composition

4.1. The major programme, Industrial Promotion, Consultations and Technology comprises four programmes: Office of the Deputy Director-General (410); Industrial Investment (420); System of Consultations (430); and Industrial Technology Development and Promotion (440). The function and responsibilities of the major programme and component programmes are described in the Director-General's Bulletins on the reorganization of the Secretariat of UNIDO (UNIDO/DG/B.26 and Add.1, 91,93,126 and 156).

Basic aims

4.2. In view of the current emphasis on liberalization, privatization and growth through private initiative, this major programme is primarily directed towards promoting international cooperation in the mobilization of investment resources for industrial development, identifying bottlenecks at the subsector level, facilitating the development of technological capabilities and pioneering new mechanisms for mobilizing diverse financial resources.

4.3. There is a growing recognition among developing countries that attracting foreign investment resources is vital to competing successfully in the increasingly globalized economy of today. Foreign direct investment is regarded as essential to mobilizing private sector investment funds, acquiring new technologies and methods of management and securing access to new markets.

4.4. Within the context of the overall objective of promoting and accelerating industrial development in the developing countries, the Industrial Investment programme is primarily directed towards the mobilization of financial, technological, managerial and market resources through: assisting developing countries in the pre-investment process by preparing pre-investment studies and developing methodologies and software for pre-investment analysis; identifying, formulating and promoting investment projects; developing national capabilities for performing those functions and improving the investment climate; and servicing the Investment Promotion Services network, including the delegates' programme.

4.5. The System of Consultation emphasizes industrial cooperation, including ECDC/TCDC, particularly with regard to programmes aimed at alleviating poverty. Greater efforts are placed on follow-up activities deriving from policy recommendations made during the Consultation process that are undertaken in close cooperation with other operational units in the Organization, bearing in mind the indispensable synergy that should exist between the System of Consultations and the other major programmes.

4.6. The Industrial Technology Development and Promotion programme is directed primarily towards promoting the development of endogenous capacities in the developing countries so as to facilitate the development and transfer of technology throughout the industrial sector. The programme also focuses on developing new modes of cooperation in order to assist policy makers and enterprises in coping with the rapidly changing technological environment. An integrated programme approach is adopted comprising broadly defined areas of activity: information; assistance in negotiations; sensitization to new technological developments and their implications; joint research and development; and training through international centres and networks.

4.7. The Office of the Deputy Director-General strives to ensure effective coordination and cooperation between the component programmes as well as among major programmes. It ensures that the priorities set forth in the medium-term plan are observed and duly taken into account in the implementation of programmes.

Interlinkage

4.8. The programme activities are intended to provide an integrated approach to promoting international cooperation and resource mobilization in support of the industrialization efforts of the developing countries. Through the activities of the System of Consultations major actors from developed and developing countries are brought together to explore areas of potential mutual benefit and identify the hindrances to exploiting such potential. The analyses and recommendations stemming therefrom provide background material for formulating targeted investment mobilization efforts as part of the activities of the Industrial Investment programme. The Technology Development and Promotion programme complements the above through it industrial information and technology acquisition and negotiation services, as well as by developing innovative concepts for international cooperation in developing technological capacities, especially in newly emerging technologies, and providing support to developing countries in formulating technology policies.

4.9. Given the ever-increasing emphasis being placed on mobilizing investment resources for industrial invigoration and growth, the activities of the Industrial Investment programme have been amplified. Feasibility studies have become a subprogramme of this programme, complementing the assistance to developing countries in the phase preceding the investment process. The activities of the Industrial Investment programme place special emphasis on strengthening the developing countries' abilities to attract foreign investment resources and on assisting them to establish contacts with potential foreign partners.

Major Programme: 400 INDUSTRIAL PROMOTION, CONSULTATIONS AND TECHNOLOGY
Programme: 410 Office of the Deputy Director-General

1994-1995 resource requirements
(In thousands of dollars, at 1993 rates)

Regular and operational budgets

	Staff Prof. wy/ms	GS/Other wy/ms	Cost	Consult.	Meetings	Travel	Other	Total	Previous biennium 1992-1993
RB	6/0	6/1	959.4	0.0	0.0	33.0	412.7	1,405.1	1,381.4
OB	0/0	0/0	0.0	0.0	0.0	0.0	178.6	178.6	421.0
Total	6/0	6/1	959.4	0.0	0.0	33.0	591.3	1,583.7	1,802.4

Programme description

Development objective

4.10. The basic development objective of the programme is to ensure, through cooperation within the major programme as a whole as well as with other programmes within the Organization and without, the development and implementation of an integrated promotion approach to accelerating industrialization in the developing countries and broadening the scope of international economic and technical cooperation, including cooperation among developing countries (ECDC and TCDC), and subregional industrial cooperation. It also focuses on developing new concepts for mobilizing investment resources and upgrading endogenous technological capabilities in the developing countries.

Relationship to medium-term plan priorities

4.11. This programme ensures that the medium-term plan priorities are reflected, to the extent possible, in the activities and outputs of the programmes and subprogrammes within major programme 400. All five priority themes are addressed; however, special emphasis is placed on development and transfer of technology, small- and medium-scale industries and human resource development, while the common topic, mobilization of financial resources, is addressed mainly by the Industrial Investment programme. Within

the six programme instruments, through which UNIDO implements its programmes, the following four instruments are more often utilized by this major programme: (a) policy forums; (b) industrial promotion; (c) technical cooperation; and (d) information services.

New features

4.12. In view of the changing arrangements with UNDP, this programme will assist the component programmes to identify their role in adjusting and implementing services under the new successor arrangements at the project and programme levels. Furthermore, this programme will seek to reinforce the capacity of this major programme to develop and implement promotional projects financed by funds other than those of UNDP.

4.13. The emphasis will be on promoting international cooperation in enhancing the integration of developing and transitional economies into the globalization process through better access to financial, technological and other resources and by means of improved policies for facilitating that integration.

4.14. The subprogramme 412 Programme Development established in the 1992-1993 approved budget submission led to the development of two areas of activity: techno-economic intelligence and technology policy. The implementation of those activities will be transferred to the Technology Development and Promotion programme. Both areas of activity draw on inputs from several subprogrammes, their implementation will thus be coordinated by subprogramme 444 Office of the Director, Technology Development and Promotion. Consequently, for the biennium 1994-1995, former subprogramme 411 has been absorbed by programme 410.

Problems addressed

4.15. The major problem confronting the programme is to ensure efficient and effective coordination and cooperation within the major programme, as well as with all other major programmes and programmes. Under conditions of severe resource constraints, this entails ensuring continued delivery of services and endeavouring to meet the growing demand for such services.

Objectives

4.16. The basic objective of the programme is to contribute to the effective management and coordination of the activities of the major programme so that the component units meet their work targets, and to review work processes and procedures with a view to securing operational efficiency and cost-effectiveness.

Output and activities

4.17. The subprogramme provides policy guidance and allocates human and financial resources within the major programme in accordance with the developing countries' needs and the Organization's priorities. It identifies issues and formulates procedures for the improved management of the major programme's activities.

Coordination

4.18. The subprogramme maintains close liaison with all the programmes and subprogrammes in major programme 400 and in other major programmes so as to ensure an effective response to development requirements of developing countries. It also maintains close ties with Governments, organizations in the United Nations system and other intergovernmental organizations.

Resource requirements

4.19. The programme will require a total of $959,400 for staff resources, which includes funds for temporary assistance ($4,500) and overtime ($1,300) to ensure continuity during peak periods of work. In addition, the programme will require travel funds ($33,000) to finance the travel of the Deputy Director-General and his immediate staff to represent UNIDO at various forums associated with the work of the major programme and to initiate discussions with institutions in developed and developing countries on various promotional activities. With regard to EDP and office automation resources, a total amount of $591,300 has been appropriated to the programme for the biennium to be utilized by various programmes and subprogrammes under the major programme 400 Industrial Promotion, Consultations and Technology.

Resource increases/decreases

4.20. Regular budget resources show an increase of $23,700 resulting from an increase in EDP resources of the same amount. Operational budget resources have decreased by $242,400 owing to the redeployment of a vacant D-1 post ($241,600) to subprogramme 354 Office of the Director, Industrial Cooperation and Funds Mobilization and a reduction in EDP resources ($800).

Major Programme: 400 INDUSTRIAL PROMOTION, CONSULTATIONS AND TECHNOLOGY
Programme: 420 Industrial Investment

1994-1995 resource requirements
(In thousands of dollars, at 1993 rates)

Regular and operational budgets

	Staff								Previous
	Prof. wy/ms	GS/Other wy/ms	Cost	Consult.	Meetings	Travel	Other	Total	biennium 1992-1993
RB	48/0	22/6	5,827.7	168.6	0.0	129.5	55.3	6,181.1	5,779.2
OB	2/0	20/0	1,295.7	110.7	0.0	56.6	30.0	1,493.0	2,261.9
Total	50/0	42/6	7,123.4	279.3	0.0	186.1	85.3	7,674.1	8,041.1

By subprogramme

	Staff								Previous
	Prof. wy/ms	GS/Other wy/ms	Cost	Consult.	Meetings	Travel	Other	Total	biennium 1992-1993
421 Industrial Investment Programmes	26/0	10/0	2,974.6	234.3	0.0	89.5	0.0	3,298.4	3,412.4
422 Investment Promotion Network	2/0	2/0	336.0	5.0	0.0	0.0	0.0	341.0	336.0
423 Feasibility Studies	20/0	18/0	2,909.2	40.0	0.0	63.6	0.0	3,042.8	3,275.6
424 Office of the Director	2/0	12/6	903.6	0.0	0.0	33.0	55.3	991.9	1,017.1
Total	50/0	42/6	7,123.4	279.3	0.0	186.1	85.3	7,674.1	8,041.1

Programme description

Development objectives

4.21. Human resources, technology and capital are three main inputs to the industrialization process. The basic aim of this programme is to increase the volume of capital invested in the industrial sector in developing countries. This is done in complementarity and integration with other programmes whose main objectives are the development of human resources and technology development and transfer. As indicated a recent United Nations report, foreign direct investment is a driving force in the world economy. The flows of direct investment soared during the second half of the 1980s, 2 1/2 times faster than exports. However, the share of the developing countries as recipients of such investment fell from 25 per cent in 1980-1985 to 17 per cent in 1986-1990. With the new wave of political and economic liberalization, private sector enterprises have assumed a crucially important role in the industrialization process. This programme assists the developing countries, among others, to attract investments from that sector, with special emphasis on small- and medium-scale industries whose activities range from pre-investment studies to implementation of investment projects.

Relationship to medium-term plan priorities

4.22. This programme is primarily related to one of the three elements that the medium-term plan identifies as being common to industrial development: the mobilization of financial resources for industrial development. In that context, it focuses on such aspects as improving entry conditions for foreign direct investment, targeting small and medium-sized companies in future investment promotion efforts, and developing overall industrial capabilities, especially the human resource base and entrepreneurial skills. It also contributes to promoting cooperation among developing countries in the field of industrial investment. Emphasis has also been placed on the establishment of a sharper regional focus, while technical cooperation activities of the programme are largely oriented towards enhancing the investment climate and strengthening capabilities in developing countries, both featured in the medium-term plan, as well as identifying, developing and promoting individual bankable investment projects.

4.23. The programme, by addressing a common element in the medium-term plan, is also related to the five priorities set in that plan. For example, the various training programmes undertaken by the programme are related to human resource development, and the flow of investment resources to developing countries is often accompanied by the transfer or development of technology. Of particular importance is the fact that small- and medium-scale industries are a primary focus of this programme.

New features

4.24. At its fourth session, the General Conference adopted resolution GC.4/17 on industrial investment promotion. In that resolution, the Director-General was requested, inter alia, "to improve the internal coordination and the networking system between the IPS offices or focal points in developing countries and UNIDO Headquarters as an urgent matter".

4.25. The aim of closer networking is the rapid and timely transmission of information between the various actors concerned with industrial investment activities. The information is primarily related to individual investment promotion projects, but could extend to other features of industrial investment such as changes in the investment codes of developing countries and particular promotion events. The actors involved are: (a) the nucleus - UNIDO Headquarters; (b) inner circle - Investment Promotion Services; (c) outer circle - investment promotion centres, services or bureaux located in developing countries.

4.26. Considerable emphasis will be placed during the biennium on installing a uniform database system in the IPS offices as well as in focal points in developing countries. This will facilitate the flow of information, not only from Headquarters to the individual IPS offices but also between the IPS offices themselves. It will also facilitate the exchange of information, notably on project proposals between the IPS offices and focal points in developing countries.

4.27. Subprogramme 423 (previously 541) Feasibility Studies has been redeployed from programme 540 Industrial Operations to this programme. This will make for the easier integration of complementary activities and closer linkage of the various phases of the investment cycle, ranging from identifying an investment opportunity, profiling and promoting an investment project and conducting pre-feasibility and feasibility analyses through to financing - all within one programme.

Variation over the previous biennium

4.28. The programme now comprises four subprogrammes (two Branches, one Unit and the Office of the Director). These are: the Feasibility Studies Branch; the Industrial Investment Programmes Branch comprising the four regional investment programmes; and the Investment Promotion Network Unit which has been delinked from the Office of the Director. It is anticipated that the two Branches and the Unit will work in tandem to cover the full range of services needed to mobilize investment resources. The Investment Promotion Network Unit was set up in direct response to resolution GC.4/Res.17 and the need to incorporate the growing number of Investment Promotion Services and Centres into a closer network.

4.29. Regular budget resources appropriated under this programme show an increase of $401,900 and operational budget resources a decrease of $768,900. Details of the resource variations are given at the subprogramme level.

Major Programme: 400 INDUSTRIAL PROMOTION, CONSULTATIONS AND TECHNOLOGY
Programme: 420 Industrial Investment
Subprogramme: 421 Industrial Investment Programmes

1994-1995 resource requirements
(In thousands of dollars, at 1993 rates)

Regular and operational budgets

	Staff Prof. wy/ms	GS/Other wy/ms	Cost	Consult.	Meetings	Travel	Other	Total	Previous biennium 1992-1993
RB	26/0	6/0	2,767.4	143.6	0.0	69.5	0.0	2,980.5	2,752.9
OB	0/0	4/0	207.2	90.7	0.0	20.0	0.0	317.9	659.5
Total	26/0	10/0	2,974.6	234.3	0.0	89.5	0.0	3,298.4	3,412.4

Subprogramme description

Introduction

4.30. This subprogramme, composed of four regional programme units, supports activities related directly to the common element in the medium-term plan concerned with the mobilization of financial resources. It assists developing countries in the respective regions, within the framework of their own policies and priorities, in mobilizing resources for the expansion of private and public sector industrial output through commercially oriented cooperation at the investment project level between entrepreneurs in those countries and foreign partners. It also strengthens local capabilities and improves the investment climate in order to enable countries in the regions to intensify their resource mobilization activities. Mobilization of financial resources also bears implications for other priority areas of the medium-term plan: human resource capabilities may be strengthened through exposure to new investment promotion techniques, new manufacturing processes, factory management and marketing needs; production facilities may be rehabilitated, modernized and expanded in order to respond to the demands of foreign markets - and appropriate technologies developed and transferred for the same purpose; small- and especially medium-scale industries may be strengthened by the inputs of a foreign partner. Industrial investment activities also take account of the environmental impact of industrial facilities and the need to conserve energy resources. The subprogramme also addresses the other two common elements identified in the medium-term plan: the integration of women in development and economic cooperation among developing countries.

Problems addressed

4.31. Problems faced by developing countries in respect of industrial investments vary greatly from region to region, and very often, between countries within the same region. For example, the distribution of foreign direct investment volumes remain highly uneven among the developing countries. In 1990, the Asian region enjoyed the lion's share with about two thirds of the total investment flow to developing countries, Latin America remained a distant second with less than one third, while Africa received about 7 per cent. As a group, the least developed countries had access to less than 1 per cent of the total investment flow to the developing countries. In addition, during the period 1980-1990, ten countries accounted for almost 70 per cent of the investment flow to all developing countries. Given those disparities, problems addressed by this programme focus on various regions and specific countries.

4.32. Over 60 per cent of the countries in the Africa region are least developed countries. The economies of the countries in the region face similar, if not identical structural problems and are confronted by similar conditions of access to international markets, deteriorating terms of trade, debt burden and mobilization of adequate investment resources for their development. To attain even modestly sustained per capita growth in the future, most countries in the region will need significantly increased domestic savings and developmental assistance. In recognition of this the countries in the region are in the process of strengthening the regional economic groupings such as the Preferential Trade Area for Eastern and Southern Africa and the Economic Community for West Africa, and steps are being taken to establish the African Economic Community. Efforts are also being made to promote intra-Africa investment and trade. Although many countries have taken steps to create and promote an enabling environment for private sector development, in most cases they have not made adequate provisions for encouraging indigenous entrepreneurship. This, in addition to the inadequacy of skills in investment related activities, still hampers the economic growth and industrial development in the region. In this respect, the development of indigenous capability will be required, especially in investment-related matters, to meet those challenges.

4.33. The rapid economic growth in the Asia and the Pacific region has been made possible by the initiative and enterprise of a dynamic private sector. The problem is that the flows of capital investment are heavily concentrated on a few countries. Several developing countries in Asia have adopted policies emphasizing economic growth through an enhanced role for the private sector; others have followed suit and are pursuing outward-looking, private-sector oriented growth strategies. Some of the countries lack well-prepared investment projects and are experiencing difficulties in identifying suitable partners from abroad. The capabilities of some government agencies can usefully be strengthened by training courses. Some of the least developed countries in the region have yet to formulate the basic investment laws and regulations needed to attract foreign direct investment. Improvement of the investment environment could attract increased foreign investment and transfers of technology. The international business community is not yet aware of the full range of the industrial investment opportunities offered by countries of the region, especially in the small- and medium-scale industry sector. Furthermore, entrepreneurs in some countries of the region are not fully familiar with investment promotion techniques applied by the business community in industrialized countries.

4.34. Despite modest growth, most of the countries in the Latin America and the Caribbean region continue to suffer from the constraints of debt and inflation. At the same time, they face increasing international competition as a result of the globalization of the world economy and the emergence of economic blocs. The recent changes that some countries have introduced regarding their policies vis-à-vis the private sector in general and foreign/local investment in particular are bearing fruit. The trend in the region is towards the establishment of subregional economic blocs as an instrument for transforming the economies of the member countries. Restoration and growth of interregional trade are the main objectives, as well as improvement of competitiveness. Most of the countries now have a clear perception of the linkage between investment and trade and recognize that efforts have to be made to secure access to the United States and European Community markets. These two areas are basic to the countries consolidating and increasing their economic growth and eventually reaching a level of sustainability. A new strategy to attract investment is necessary, drawing on the one side on the emerging larger markets and on the other side on the specific characteristics and advantages of each country. These countries require continued assistance in strengthening that coordination with other international/regional organizations that have recently entered this sphere of activities.

4.35. In Eastern Europe and the former Soviet republics, which are joining UNIDO as independent IPF countries, the ongoing reforms call for new economic structures and legislation. During this transition characterized by privatization and a rapid shift towards market economies, new approaches are called for. Some of the methodologies developed for addressing problems associated with mobilizing foreign investment flows to developing countries may well not apply to a number of the countries in the region which differ from most developing countries in terms of their infrastructure, technological and human resource endowments, economic "culture" and institutional structures. In the Mediterranean region, rapid economic transition is giving way to new regional trading structures such as the recently initiated concept of a Black Sea Economic Zone. The assistance of UNIDO might be required to strengthen the necessary local capacities for project identification and appraisal, as well as to mobilize external investment resources which will be essential to economic cooperation among the member countries. This holds especially true for the Central Asian republics. In some Arab countries, employment generation through new productive capacity is the immediate challenge, whereas in those countries with oil resources, top priority is accorded to establishing an industrial base suited to small domestic markets by attracting foreign partners and technology.

Objectives

4.36. The two main objectives of the subprogramme are: (a) to assist in creating or in strengthening institutions in the countries of the respective regions so that they can enhance their national investment climates with a view to attracting potential foreign business partners; identify opportunities for investment in productive activities consonant with national resource endowments and industrial development priorities; and formulate and screen potentially viable investment projects and promote them vis-à-vis potential suppliers of external inputs such as financial, technical, managerial and other resources; (b) to assist the above institutions and industrialists in the identification, formulation, screening and promotion of specific industrial investment projects, especially for small- and medium-scale industries. In striving to achieve these general objectives, each regional unit will customize its programmes, putting emphasis on different aspects depending on the conditions prevailing and differing needs apparent in their respective regions.

Output and activities

4.37. The main activities are related to the design and implementation of integrated investment-related technical cooperation programmes. These activities will include counselling Governments on legal, institutional and fiscal measures to improve the climate for foreign investment. This counselling will be complemented by the preparation of investors' guides and other relevant documentation. Workshops will be organized for staff of national investment promotion agencies on general investment promotion issues and on the identification, formulation screening and pre-appraisal of investment projects using UNIDO software. Activities of this programme also include assistance to local investors in gathering information to be disseminated to potential foreign partners. The Investment Promotion Services network and the focal points assist in the dissemination of this information. Private enterprises willing to invest in the industrial sector are identified and assisted in locating suitable partners in various regions. In the search for suitable partners, due heed will be paid to such factors as the technology and management skills available at the country level.

4.38. For the local entrepreneurs, this subprogramme provides direct support in transforming their business ideas into project profiles. It helps to secure appropriate training, organizes promotion tours for entrepreneurs/senior officials, identifies foreign and local partners, and assists Governments/institutions in ameliorating the local investment climate. Whereas large-scale enterprises generally dispose of the infrastructure to disseminate, collect and assess such investment information, small- and medium-scale industries lack that capacity. Thus, the subprogramme devotes special attention to the needs of small- and medium-scale enterprises.

4.39. Within the framework of national investment policies and strategies, the subprogramme's activities include assistance to developing countries in providing expert advice on measures to improve the environment for private investment. The subprogramme will seek to reinforce the capabilities of existing investment promotion agencies or to establish such agencies where necessary. In the case of countries undergoing specific economic restructuring, such as the former centrally planned economy countries, the subprogramme's activities will be adjusted accordingly.

4.40. In addition, assistance will be provided to foreign and local business partners in identifying and approaching financing institutions prepared to undertake commitments in the region and in mobilizing funds for pre-investment studies. Similarly, development finance institutions will be contacted and provided with the requisite details of investment projects.

4.41. Through the above activities, the subprogramme will endeavour to inform some 2,500 entrepreneurs in industrialized countries about the investment climate and partnership opportunities in various developing regions:

700 in Africa,
750 in Asia and the Pacific,
750 in Latin America and the Caribbean,
300 in Arab Countries, Europe and the Mediterranean region.

4.42. A total of approximately 1,400 investment projects sponsored by local investors will be identified, screened and appraised on a preliminary basis as to their viability:

400 in Africa,
400 in Asia and the Pacific,
300 in Latin America and the Caribbean,
300 in Arab Countries, Europe and the Mediterranean region.

4.43. Of these, some 230 investment projects will be concluded through the UNIDO Investment Promotion Service network, focal points and headquarters:

50 in Africa,
60 in Asia and the Pacific,
50 in Latin America and the Caribbean,
70 in Arab Countries, Europe and the Mediterranean region.

4.44. As a direct contribution to the achievement of the above output, 10 investment forums will be held:
4 in Africa,
2 in Asia and the Pacific,
2 in Latin America and the Caribbean,
2 in Arab Countries, Europe and the Mediterranean region,

4.45. Furthermore, 27 country presentations tours will be organized:
6 in Africa,
6 in Asia and the Pacific,
10 in Latin America and the Caribbean,
5 in Arab Countries, Europe and the Mediterranean region.

4.46. Some 440 staff members of investment promotion and financing agencies will be trained in general aspects of investment promotion, as well as in project identification, formulation, screening and pre-appraisal:
100 in Africa,
150 in Asia and the Pacific,
150 in Latin America and the Caribbean,
40 in Arab Countries, Europe and the Mediterranean region,

4.47. This training will utilize UNIDO methodology e.g. software for project analysis and pre-appraisal. Some 19-20 data banks will be developed:
5 for Africa,
5 for Asia and the Pacific,
4-5 for Latin America and the Caribbean,
5 for Arab Countries, Europe and the Mediterranean region.

4.48. In addition, some 300 participants will be trained on these systems:
10 from Africa,
150 from Asia and the Pacific,
120 from Latin America and the Caribbean,
20 from Arab Countries, Europe and the Mediterranean region.

4.49. Some 53 officials from various regions will participate in the delegates' programme organized by the Investment Promotion Services:
25 from Africa,
10 from Asia and the Pacific,
10 from Latin America and the Caribbean,
8 from Arab Countries, Europe and the Mediterranean region.

4.50. A total of 15 sectors and 12 subsectors will be analysed in order to identify those offering good prospects of partnership between local firms and entrepreneurs:
4 sectors and 2 subsectors in Africa,
5 and 3 in Asia and the Pacific,
4 and 3 in Latin America and the Caribbean,
2 and 4 in Arab Countries, Europe and the Mediterranean region.

4.51. A total of 13 investors' guides will be prepared or updated for specific countries in the various regions:
4 in Africa,
5 in Asia and the Pacific,
4 in Arab Countries, Europe and the Mediterranean region.

4.52. Operational links will be established between 29-30 national investment promotion agencies in various regions and industrial cooperation institutions, including development financing institutions, in industrialized countries:
20 in Africa,
3-4 in Asia and the Pacific,
2 in Latin America and the Caribbean,
4 in Arab Countries, Europe and the Mediterranean region,

4.53. Other outputs and activities in the Africa region will include: (a) a round table meeting of the representatives of investment promotion agencies, IPS network and similar organizations outside the region; (b) a study to assess the problems and constraints faced by four selected countries in attracting foreign and domestic investment; (c) revision of investment laws in two countries; and (d) a workshop within the framework of the Ghana Industrial Fair.

4.54. In the Latin America and the Caribbean area, regional meetings will be held within the context of SELA/UNIDO cooperation, and promotional events will be organized between subregions such as: (a) Andean Group countries/Central America; (b) Andean Group countries/Caribbean; and (c) Mexico/Central America. In addition, the subprogramme will devote special attention to assisting investment promotion centres in the region.

4.55. In the Arab Countries, Europe and the Mediterranean region, efforts will be made in cooperation with subprogramme 422 (Investment Promotion Network) to establish three investment promotion centres or IPS offices.

Coordination

4.56. The above activities will be undertaken in cooperation with all subprogrammes within programme 420 and the Investment Promotion Services. The subprogramme will also maintain close links with programme 330 (Area Programmes) and programme 620 (IDDA) to ensure full coordination of its activities with those of other operational programmes, drawing as appropriate on their outputs, especially those with investment potential. It also coordinates its work closely with subprogramme 336 (ECDC), as regards regional investment projects. Since a major component of the activities involves matching partner enterprises and assisting them in formulating agreements, close cooperation with subprogrammes 442 (Technology Acquisition and Negotiation) and 441 (Industrial and Technological Information) will be necessary. Outside UNIDO, the subprogramme maintains links with individual enterprises in developing and industrialized countries, with national investment promotion agencies and with economic development and integration agencies in the developing countries, and regional industrial promotion and cooperation agencies in the industrialized countries, as well as with national, regional and international financing institutions.

Resource requirements

4.57. The design and implementation of integrated investment-related technical cooperation programmes will be undertaken by the Professional staff attached to the subprogramme, assisted by General Service support staff. Consultant resources ($234,300) are required to assist in drafting programme proposals and in executing specific programme components such as investment project formulation workshops, preparation of investors' guides, pre-appraisal of investment projects and follow-up to investment forums. In addition, travel resources ($89,500) are necessary for the purpose of discussing programme proposals with Governments and funding agencies, coordinating programme implementation with local counterpart agencies and attending other investment-related events relevant to the subprogramme's outputs and activities.

Resource increases/decreases

4.58. Regular budget resources show an increase of $227,600 on account of the following resource variations: staff resources have been increased by $268,000 following the redeployment of two Professional posts (1 P-3 and 1 P-4) from subprogrammes 833 (Accounts and Payments) and 434 (Common Topics), respectively; this is partially offset by redeploying one General Service post to subprogramme 424 Office of the Director. Staff travel resources have been reduced to $69,500 as compared to $99,900 in the previous biennium and consultant resources have been reduced by $10,000 against the previous biennial appropriation of $153,600. Operational budget resources show a decrease of $341,600, on account of the following changes: a decrease of $371,600 in staff resources due to the abolition of two Professional posts (1 P-3 and 1 P-4) which has been partially offset by increases in consultancy requirements ($10,000) and travel ($20,000). The consultant and meeting resources related to the subregional forums in Africa will be funded under programme 620.

Major Programme: 400 INDUSTRIAL PROMOTION, CONSULTATIONS AND TECHNOLOGY
Programme: 420 Industrial Investment
Subprogramme: 422 Investment Promotion Network

1994-1995 resource requirements
(In thousands of dollars, at 1993 rates)

Regular and operational budgets

	Staff Prof. wy/ms	Staff GS/Other wy/ms	Cost	Consult.	Meetings	Travel	Other	Total	Previous biennium 1992-1993
RB	2/0	0/0	232.4	5.0	0.0	0.0	0.0	237.4	232.4
OB	0/0	2/0	103.6	0.0	0.0	0.0	0.0	103.6	103.6
Total	2/0	2/0	336.0	5.0	0.0	0.0	0.0	341.0	336.0

Subprogramme description

Introduction

4.59. The subprogramme is responsible for the development, implementation and monitoring of the Investment Promotion Services. The subprogramme is mainly related to the common element of the medium-term plan concerned with the mobilization of financial resources for industrial development (50 per cent of resources). Investment promotion, however, also mobilizes other resources such as technology and management skills. Therefore, this subprogramme is also concerned with each of the five medium-term priority problem areas: human resource development, development and transfer of technology (10 per cent); small- and medium-scale industries (10 per cent); industrial rehabilitation (5 per cent); and environment and energy (5 per cent). Similarly, the programme relates to the other two common elements identified in the medium-term plan: integration of women in development (5 per cent) and economic cooperation among developing countries (5 per cent).

Problems addressed

4.60. The debt crisis in certain developing countries which characterized the 1970s has hampered the flow of foreign financial and other resources to these countries. As a number of developing and other countries turn towards privatization, the investment climate in these countries needs to become more attractive to local and foreign enterprises. Under these circumstances, the financing of viable industrial projects is of paramount importance. While in need of overseas capital and other resources, these countries lack the experience required to develop and put into practice the necessary legislation and infrastructure to attract foreign entrepreneurs and the skills necessary for project identification, formulation and promotion. At the same time, difficulties are encountered in identifying financial partners in developed and other developing countries to promote specific industrial ventures. These problems are particularly acute in the small and medium-sized industries sector.

Objectives

4.61. The subprogramme assists developing countries to expand, within the framework of their own policies and priorities, their industrial production by mobilizing the financial, technical, managerial and other resources required for the implementation of investment projects through industrial cooperation between investors in those countries and suitable foreign partners. Basically, the subprogramme aims at providing integrated and tailor-made assistance to developing countries in establishing a climate favourable to overseas investment in individual developing countries, identifying and promoting industrial opportunities where foreign investment resources are required and could accelerate the industrialization of those countries, and strengthening national capabilities to undertake those tasks.

Output and activities

4.62. The subprogramme is responsible for developing new Investment Promotion Services and for directing, and managing the 11 Investment Promotion Services at Athens, Cologne, Lisbon, Milan, Paris, Seoul, Tokyo, Vienna, Warsaw, Washington and Zurich. The main function of the Services is to promote investment projects from developing countries by identifying foreign partners ready to cooperate in such projects in terms of financial, technical, managerial or other contributions.

4.63. Within the framework of the Investment Promotion Services, the subprogramme activities include coordination of the delegates programme which is implemented by subprogramme 421 (Industrial Investment Programmes) which will be expanded to include over 50 participants in the biennium (see para. 4.49 above). The delegates programme enables officials from investment promotion agencies, ministries of industry and other institutions in developing countries, to participate in the work of the Investment Promotion Services offices. Moreover, through this subprogramme, delegates develop direct contacts with host country industrialists and with development and financing institutions.

4.64. While continuing to direct and offer administrative support to existing Investment Promotion Services, the subprogramme plans to establish three new Investment Promotion Services during the biennium. A specific characteristic of the new Services will be their dual role promoting both inward investment to the host country and outward investment to the developing world.

4.65. As part of the subprogramme's outputs, networking will be developed and enhanced to permit rapid and timely transmission of information between the various actors concerned with industrial investment activities. The actors involved are: the nucleus (UNIDO Headquarters); the inner circle (Investment Promotion Services) and the outer circle (investment promotion centres or services located in developing countries).

Coordination

4.66. Close cooperation will be maintained with all subprogrammes within programme 420 (Industrial Investment), the Investment Promotion Services, national authorities, financial institutions and other international organizations.

Resource requirements

4.67. The responsibility for programme development and management will be assumed by the senior Professional staff assigned to this subprogramme, assisted by one General Service staff member. Consultant resources of $5,000 are required to devise the network mechanism and specify the telecommunication needs.

Resource increases/decreases

4.68. Resources variation analysis does not apply at the subprogamme level since this is a new subprogramme. The staff resources have been redeployed from subprogramme 424 (Office of the Director), thus the only new resource in the regular budget at the programme level are the consultant funds ($5,000).

Major Programme: 400 INDUSTRIAL PROMOTION, CONSULTATIONS AND TECHNOLOGY
Programme: 420 Industrial Investment
Subprogramme: 423 Feasibility Studies

1994-1995 resource requirements
(In thousands of dollars, at 1993 rates)

Regular and operational budgets

	Staff								
	Prof. wy/ms	GS/Other wy/ms	Cost	Consult.	Meetings	Travel	Other	Total	Previous biennium 1992-1993
RB	20/0	12/0	2,598.4	20.0	0.0	27.0	30.0	2,675.4	2,683.3
OB	0/0	6/0	310.8	20.0	0.0	36.6	0.0	367.4	592.3
Total	20/0	18/0	2,909.2	40.0	0.0	63.6	30.0	3,042.8	3,275.6

Subprogramme description

Introduction

4.69. Since investment in industry is one of the main vehicles actively used to accelerate industrial development, UNIDO needs to design a strategy and implement a programme of cooperation which will make for better utilization of available resources and facilitate the tapping of new financial resources for the benefit of the developing countries. Moreover, industrial investment entails committing sizeable amounts of capital over the long term under conditions of uncertainty. The investors therefore need a transparent, well-researched and properly presented investment analysis in order to make rational investment decisions and mobilize the capital required.

4.70. The capability to identify, prepare, appraise and promote industrial investment is severely lacking in developing countries and particularly in least developed countries. Overcoming this problem will continue to be one of the main issues addressed by the subprogramme. In conformity with the priorities laid down in the medium-term plan, the UNIDO methodology for investment project preparation and appraisal is increasingly geared towards the rehabilitation of existing enterprises, privatization of government-owned industries, plant modernization and product diversification. With the publication of the second edition of the Manual for the Preparation of Industrial Feasibility Studies (ID/372), UNIDO has made a major contribution towards standardizing the methodology and approach to be used in the field of pre-investment analyses and has thus provided the developing countries with a tool to facilitate the preparation of projects that are technically, financially and economically sound.

Problems addressed

4.71. The identification, preparation and appraisal of industrial investments in developing countries is hampered to a large extent by the lack of local project development capabilities. There is a shortage of well-prepared investment studies and a lack of financial resources that would enable the project promoter to conduct investment studies, be they for new industries or the rehabilitation/expansion of existing ones. Investment project failures and the misallocation of scarce financial resources are to a large extent the outcome of inadequate pre-investment work.

4.72. The shortage of trained manpower in the preparation of investment studies poses a serious constraint upon the industrialization process. It has been clearly recognized that the ability of a country to raise its industrial growth rate depends on its capacity to design and promote viable projects. The upgrading of national capabilities in the preparation and appraisal of investment studies is, therefore, considered a crucial element in the field of human resource development.

4.73. Experience shows that studies are often not up to the standard required for an investment decision. The standardized methodology for preparation and appraisal of investment projects, together with the Computer Model for Feasibility Analysis and Reporting (COMFAR), both developed by UNIDO, are essential tools in the process of preparing of projects that are technically, financially, economically and environmentally sound.

Objectives

4.74. The aim of the subprogramme is to support the pre-investment process as well as investment promotion in developing countries by: (a) identifying, preparing and evaluating investment studies with special emphasis on rehabilitation, restructuring and privatization of industry; (b) assessing in a thorough and realistic manner the environmental impact of industrial investment projects; (c) enhancing promotion-oriented programmes and projects that are of direct interest to international joint business partners in both industrialized and developing countries; (d) strengthening investment project development capabilities of institutions such as project planning centres, national and regional development banks and consulting firms; (e) conducting training on project preparation, appraisal, financing and application of appropriate computer softwares; and (f) developing appropriate methodologies, approaches and training materials related to pre-investment work.

Output and activities

4.75. The investment project cycle comprises three phases: pre-investment, investment and operation. The activities of the subprogramme are focused on the pre-investment phase and, to a certain extent, on investment promotion. In the course of that cycle, a number of studies have to be made in order to identify investment opportunities (opportunity studies), make a preliminary selection from possible alternatives (pre-feasibility studies), draw up comprehensive information for the final investment decision (feasibility studies) and prepare project appraisal reports. In addition, support studies such as market analyses, environmental impact assessment studies and financial appraisal reports are required in order to ensure the adequate operation of the investment and operational phases. The results of those investment studies are of vital importance to a potential investor in the decision-making process as they provide the basis for project selection and implementation.

4.76. The training component of the subprogramme provides for the training of a growing number of professional staff from appropriate institutions in the developing countries in advanced techniques related to investment project preparation, appraisal and financing. New training material has been developed and this will be updated during the biennium to reflect the current global changes, including privatization, small-scale industries and environmentally sustainable development. It is expected that some 60 training workshops will be held for the benefit of 1,500 developing country professionals, including additional topics such as contract negotiations, joint ventures and project implementation.

4.77. It is estimated that some ten intercountry, ten interregional/global and 90 country projects in 60 countries will be in progress at the start of the biennium. In addition, 100 new projects will commence during the biennium. Of all these projects, 80 are scheduled for completion during the biennium. In other words, full technical and administrative backstopping services will be provided to over 200 projects. Total technical cooperation delivery for the biennium is estimated at between $18 and $20 million.

4.78. The third generation of the Computer Model for Feasibility Analysis and Reporting (COMFAR) will be complemented by a project database supporting the analysis and comparison of projects and project alternatives. This will allow the user to store project data of all projects previously analysed and to retrieve such data for purposes of comparison.

Coordination

4.79. The subprogramme's technical cooperation projects, most of which are of a multidisciplinary nature, are designed and implemented in close cooperation with the technical branches concerned as well as with the Industrial Investment Programmes (421) and with the Investment Promotion Services Network (422). The subprogramme also receives support from Project Personnel Recruitment (543), Purchasing (841) and Contracts (842) and Financial Management of Technical Cooperation (832). Close ties will be maintained with national, regional and interregional development finance institutions, project preparation centres and training institutions, both in developing and in industrialized countries.

Resource requirements

4.80. Implementation of the pre-investment programmes and related technical cooperation activities will be undertaken by 10 Professional staff assisted by 9 General Service staff. Consultant resources ($20,000 RB and $20,000 OB) are required to draw up curricula for training workshops to be organized during the biennium. Travel funds ($27,000 RB and $36,600 OB) will be used mainly to identify additional training needs in the field of project preparation. In addition, printing funds ($30,000 RB) will be required for the printing of training material and manuals.

Resource increases/decreases

4.81. Regular budget resources show a decrease of $7,900: this derives from a reduction in consultant funds ($28,100), increases in travel ($10,400) and printing funds ($9,800). The operational budget resources show a decrease of $224,900 related to the abolition of one P-4 post ($199,400) and to a reduction in travel funds ($29,600), offset by an increase in consultant funds ($4,100).

Major Programme: 400 INDUSTRIAL PROMOTION, CONSULTATIONS AND TECHNOLOGY
Programme: 420 Industrial Investment
Subprogramme: 424 Office of the Director

1994-1995 resource requirements
(In thousands of dollars, at 1993 rates)

Regular and operational budgets

	Staff								Previous
	Prof. wy/ms	GS/Other wy/ms	Cost	Consult.	Meetings	Travel	Other	Total	biennium 1992-1993
RB	0/0	4/6	229.5	0.0	0.0	33.0	25.3	287.8	110.6
OB	2/0	8/0	674.1	0.0	0.0	0.0	30.0	704.1	906.5
Total	2/0	12/6	903.6	0.0	0.0	33.0	55.3	991.9	1,017.1

Subprogramme description

Introduction

4.82. The Industrial Investment programme is responsible for promoting the flow of investment resources to the developing countries by means of investment programmes for specific countries or regions. These promotion efforts support all investment activities of UNIDO and those of the network of UNIDO Investment Promotion Service offices. Furthermore, by conducting pre-investment studies the programme is in a position to prepare and evaluate bankable project proposals.

4.83. Given those responsibilities, the subprogramme provides policy guidance, while coordinating and directing the activities of the programme. It sets work objectives, formulates approaches and oversees the work programmes of the component units. Three distinct functions are involved: subprogramme 421 (Industrial Investment Programmes), subprogramme 422 (Investment Promotion Network) and subprogramme 423 (Feasibility Studies).

4.84. Since investment is one of the main factors in accelerating industrial development, UNIDO needs to design a strategy and implement a programme of cooperation which will make for both better utilization of available resources and facilitate the tapping of new financial resources for the benefit of the developing countries. Moreover, industrial investment entails committing sizeable amounts of capital over the long term under conditions of uncertainty. The investors therefore need a transparent, well-researched and properly presented investment analysis in order to make rational investment decisions and mobilize the requisite capital.

4.85. The capability to identify, prepare, appraise and promote industrial investment is severely lacking in developing countries, particularly in the least developed countries. Overcoming this problem will continue to be one of the main issues addressed by this subprogramme. In conformity with the priorities laid down in the medium-term plan, human resource development, transfer of investment capital resources, including technology transfer, industrial rehabilitation and privatization and environmental impact assessments are integral parts of the subprogramme.

Problems addressed

4.86. As a number of developing and other countries turn towards privatization, the investment climate in these countries needs to become more attractive to local and foreign enterprises. Under these circumstances, the financing of viable industrial projects is of paramount importance. While in need of overseas capital and other resources, countries lack the experience required to develop and put into practice the means whereby they can attract foreign entrepreneurs and the skills necessary for project identification, preparation and evaluation and promotion.

4.87. The identification, preparation and promotion of industrial investments in developing countries is hampered to a large extent by the lack of local project development capabilities. Experience also shows that studies are often not up to the standard required for an investment decision. The standardized methodology for preparation and appraisal of investment projects, developed by UNIDO, are essential tools in the process of preparing and promoting projects that are technically, financially, economically and environmentally sound.

4.88. The shortage of trained manpower in the preparation of investment studies poses a serious constraint upon the industrialization process. It has been clearly recognized that the ability of a country to raise its industrial growth rate depends on its capacity to design and promote viable projects. The upgrading of national capabilities in the preparation and appraisal of investment studies is, therefore, considered a crucial element.

Objectives

4.89. The subprogramme assists developing countries to expand, within the framework of their own policies and priorities, their industrial production by mobilizing the financial, technical, managerial and other resources required for the implementation of investment projects, through industrial cooperation between investors in those countries and suitable foreign partners. Basically, the subprogramme aims at providing integrated and tailor-made assistance to developing countries in establishing a climate favourable to overseas investment in individual developing countries, identifying and promoting industrial opportunities where foreign investment resources are required and could accelerate the industrialization of those countries, conducting opportunity, pre-feasibility and feasibility studies for specific industrial projects, assisting in the mobilization of financial resources and strengthening national capabilities to undertake those tasks.

Output and activities

4.90. The activities of this programme are mainly concerned with the direction and coordination of the programmes implemented by the regional industrial investment programme. The subprogramme is also responsible for developing industrial investment promotion programmes at the interregional and global levels.

4.91. The activities of the subprogramme also include the development of interregional industrial investment technical cooperation programmes on a sectoral and subsectoral basis. In the current biennium, the subprogramme is managing a project exploring investment opportunities between developed and developing countries in the agro-food industry.

4.92. To assist in its project formulation, screening and in-depth analysis activities, UNIDO utilizes a software package for internal testing purposes entitled Project Screening and Pre-appraisal Information System (PROPSPIN) and the Computer Model for Feasibility Analysis and Reporting (COMFAR). Another tool available is the Investment Promotion Resource Information System (INPRIS). The subprogramme is charged with developing these systems and ensuring their optimum application to enhance both the quantity and the quality of projects being identified, formulated and promoted by subprogramme 421 (Industrial Investment Programmes). The subprogramme also prepares studies on general aspects of industrial investment promotion as requested by the policy-making organs of UNIDO, notably the General Conference.

4.93. In terms of outputs, the subprogramme will ensure coordination between the integrated industrial investment-related technical cooperation programmes, two of which are at the subregional level. These represent a programmatic trend towards regional and subregional activities directly linked to regional financing institutions.

4.94. At the sectoral and subsectoral levels, the agro-food industry project will continue. This approach will be extended to include two further industrial sectors to be selected in consultation with donor Governments.

4.95. Both PROPSPIN and INPRIS will be further developed during the biennium to include the preparation of a printed manual for both systems as well as appropriate training material. The development will also include redesigning INPRIS into a more user-friendly tool.

Coordination

4.96. In carrying out these activities, close cooperation will be maintained with appropriate units within UNIDO, notably programme 330 (Area Programmes) and major programme 500 (Industrial Operations). Coordination will also be maintained with other organizations and institutions operating in the field of industrial investment. These include the World Bank, the International Finance Corporation and the Multilateral Investment Guarantee Corporation.

Resource requirements

4.97. Responsibility for programme formulation and management will be assumed by the senior Professional staff attached to the subprogramme, assisted by General Service staff. General temporary assistance funds ($21,200 RB) have been included under this subprogramme, but will be allotted to the regional bureaux as required. The nature of the subprogramme's work fluctuates, requiring additional assistance at the time of major promotional events. Travel funds ($33,000 RB) are required, inter alia, to finance missions related to the formulation of interregional programmes and to the supervision and guidance of the Investment Promotion Service network. The Office of the Director manages the printing funds for the programme as a whole ($25,300 RB and $30,000 OB). Overtime resources ($1,100 RB) will be required for the biennium.

Resource increases/decreases

4.98. Regular budget resources show an increase of $177,200 and the operational budget resources a decrease of $202,400. The increase in the regular budget is the result of redeploying to the subprogramme two General Service posts from subprogrammes 841 (Purchase) and 421 (Industrial Investment Programme) ($207,200), which was offset by a decrease in printing funds ($30,000). Overall, printing funds have been maintained at the level of appropriation for 1992-1993 ($55,300), but the amount has been split between the regular and operational budgets ($25,300 RB and $30,000 OB). The decrease in the operational budget is related to the abolition of two posts (1 P-5 and 1 General Service) ($336,000) which has been partially offset by the redeployment of 1 General Service post from subprogramme 845 (Office of the Director), General Service ($103,600) and an increase in printing funds ($30,000).

Major Programme: 400 INDUSTRIAL PROMOTION, CONSULTATIONS AND TECHNOLOGY
Programme: 430 System of Consultations

1994-1995 resource requirements
(In thousands of dollars, at 1993 rates)

Regular and operational budgets

	Staff Prof. wy/ms	GS/Other wy/ms	Cost	Consult.	Meetings	Travel	Other	Total	Previous biennium 1992-1993
RB	30/0	22/7	4,211.6	332.0	251.0	352.7	83.3	5,230.6	5,572.8
OB	2/0	2/0	336.0	0.0	79.7	0.0	62.8	478.5	592.9
Total	32/0	24/7	4,547.6	332.0	330.7	352.7	146.1	5,709.1	6,165.7

By subprogramme

	Staff								
	Prof. wy/ms	GS/Other wy/ms	Cost	Consult.	Meetings	Travel	Other	Total	Previous biennium 1992-1993
431 Light Industries	8/0	4/0	983.4	70.0	65.0	60.1	0.0	1,178.5	1,025.6
432 Heavy Industries	8/0	4/0	1,010.6	90.0	120.0	131.9	0.0	1,352.5	1,516.3
433 Process Industries	6/0	4/0	772.8	60.0	35.0	60.0	0.0	927.8	1,144.9
434 Common Topics	4/0	6/0	742.6	80.0	86.0	60.0	0.0	968.6	1,027.4
435 Office of the Director	6/0	6/7	1,038.2	32.0	24.7	40.7	146.1	1,281.7	1,451.5
Total	32/0	24/7	4,547.6	332.0	330.7	352.7	146.1	5,709.1	6,165.7

Programme description

Development objectives

4.99. The objectives of the System of Consultations are to contribute to: (a) defining major issues and areas that represent constraints on the industrial development process in developing countries; (b) formulating and coordinating policies to overcome these constraints; (c) identifying opportunities for investment promotion, technology transfer and development and technical cooperation programmes through effective international industrial cooperation; (d) initiating and promoting action-oriented programmes and projects for implementation in selected industrial sectors; and (e) elaborating strategies for the development of specific subsectors.

Relationship to medium-term plan priorities

4.100. The thematic approach adopted for the medium-term plan will form the basis of the Consultation process. Consideration will thus be given to issues of technology development and transfer, human resource development, financing, rehabilitation/restructuring, environment and the integration of women in sectors that offer the greatest potential for raising production in developing countries in response to domestic and external demand. Attention will also be given to inter-industry and intersectoral linkages such as agriculture, energy, environment, employment and housing, including the role of small- and medium-scale industries.

4.101. The promotion of economic cooperation among developing countries, particularly in the context of subregional industrial cooperation, will be regarded as an integral part of the System of Consultations, with increasing attention being given to holding regional Consultations as a follow-up te global Consultations.

New features

4.102. Effective follow-up to Consultations through sectoral advisory committees and panels of experts will be enhanced through the preparation of a follow-up plan after each Consultation, indicating the units within UNIDO responsible for the various actions to be taken and drawing up a schedule for their completion. The fuller participation of the various units concerned with technical cooperation and investment promotion in the preparation of and follow-up to Consultations is expected to lead to a greater number of innovative technical cooperation programmes and projects, technology alternatives, investment opportunities and human resource development programmes. Through closer cooperation within the Secretariat, the capacity of the System of Consultations to initiate the formulation of sectoral policies and strategies and provide advisory guidance to both Governments and the private sector will be more fully utilized. In addition, through its sectoral support activities, the System of Consultations will be instrumental in the identification of new project ideas and concepts.

Variation over the previous biennium

4.103. Greater importance has been attached to environmental/ecological issues in various sectors of industry. These include such issues as cleaner technology in the metallurgical industry and environmental aspects in the aluminium industry, downstream petrochemicals and the leather and leather products sector. Regional consultations continue to take on increased importance with a total of four regional consultations scheduled for the biennium: two in Africa, and one each in Asia and Latin America.

4.104. Increased efforts will be made to make the System of Consultations the marketing arm or a "window of opportunity" for the Organization. Mandatory expert group meetings and regional or global

Consultations will offer opportunities for promoting the activities of UNIDO in general and presenting the Organization's capabilities at the sectoral level. The sectoral analyses conducted during the Consultations process could be further utilized as inputs to studies undertaken under the TSS-1 arrangements introduced by UNDP and to integrated programmes, as well as in ECDC activities.

4.105. Efforts will also be made to enhance the participation of industrialists and entrepreneurs in the entire Consultations process ranging from the initial expert group meetings through the Consultation meetings proper to follow-up activities. Studies will also be undertaken to establish the feasibility of combining Consultations and investment promotion meetings, or at least to identify clear alternatives leading to greater synergy between programmes 410 and 420.

4.106. Resources have been redeployed within the programme to support those subprogrammes scheduled to hold Consultations during the biennium by reducing resources in those subprogrammes concerned with following up Consultations held in previous bienniums.

4.107. Regular budget resources appropriated under this programme have decreased by $342,200. Similarly, operational budget resources have decreased by $114,400. Details of the resource variations are given at the subprogramme level.

Major Programme: 400 INDUSTRIAL PROMOTION, CONSULTATIONS AND TECHNOLOGY
Programme: 430 System of Consultations
Subprogramme: 431 Light Industries

1994-1995 resource requirements
(In thousands of dollars, at 1993 rates)

Regular and operational budgets

	Staff								Previous
	Prof. wy/ms	GS/Other wy/ms	Cost	Consult.	Meetings	Travel	Other	Total	biennium 1992-1993
RB	8/0	4/0	983.4	70.0	55.0	60.1	0.0	1,168.5	922.0
OB	0/0	0/0	0.0	0.0	10.0	0.0	0.0	10.0	103.6
Total	8/0	4/0	983.4	70.0	65.0	60.1	0.0	1,178.5	1,025.6

Subprogramme description

Introduction

4.108. The subprogramme, which is part of the overall programme of the System of Consultations, is directed towards agro-industries, more specifically to the leather and leather products industry, secondary wood-processing, fisheries and fish processing and fruit and vegetable processing, including sugar and animal feeds. It relates to the medium-term plan and its priorities in that it aims at promoting human resource development as well as the development and transfer of technology with special emphasis on the introduction of environmentally sound technologies. The main target group for these activities is small- and medium-scale industries, especially those located in rural areas with limited access to training and new, clean technologies.

Problems addressed

4.109. The subprogramme addresses a wide variety of problems faced by agro-industries in developing countries: (a) lack of adequate sectoral industrialization strategies; (b) high production costs due to inefficiency and low productivity caused by inadequate capital investment in new technologies; (c) inadequate awareness of and access to more energy-efficient and environmentally clean technologies; (d) lack of skilled manpower and programmes for human resource development; (e) lack of knowledge of external markets and trading mechanisms; and (f) difficulties in securing access to financial resources.

Objectives

4.110. The subprogramme seeks to identify obstacles to the development of agro-industries in developing countries and to define and promote action-oriented measures to increase the share of developing countries in world industrial output by means of North-South and South-South industrial cooperation.

Output and activities

4.111. The subprogramme will concentrate its activities on the follow-up to previous Consultations on wood, fisheries and animal feed, as well as on preparing and convening the Regional Consultation on the Leather and Leather Products Industry in Asia and the Pacific approved by the Industrial Development Board at its ninth session (IDB.9/Dec.9). That Regional Consultation will be preceded by the preparation of three studies. The first will concentrate on the promotion of the introduction of low-waste processing methods, including the utilization of by-products, in the tanning industry in order to achieve ecologically sustainable development. The second study will focus on measures to upgrade footwear and other leather products, with special emphasis on quality control, marketing problems and firm strategy. The third study will focus on the application of modern technology such as CAD/CAM in footwear and leather products industries in developing countries. A global preparatory meeting will be organized to discuss the three studies and to assist the Secretariat in selecting the issues to be discussed at the Consultation.

4.112. In its follow-up to the Consultation on the Wood and Wood Products Industry, held at Vienna in January 1991, the subprogramme will focus on the use of timber in the construction industry in Latin America. For this purpose, a study will be carried out and UNIDF funding for a meeting will be sought.

4.113. As a follow-up to the Regional Consultation on the Fisheries Industry for Asia and the Pacific Island Countries, held at Vienna in December 1991, the subprogramme will conduct a study on human resource development for higher value-added fish processing and a related meeting will be held in Asia.

Coordination

4.114. In carrying out these activities, close cooperation will be sought with the appropriate units within the Organization, especially with subprogramme 521 (Agro-based Industries) and subprogramme 533 (Industrial Management and Rehabilitation) within major programme 500 (Industrial Operations) and with members of the respective advisory committees. Coordination and, in specific cases, co-sponsoring will also be maintained with other organizations and institutions working in related fields such as the Food and Agriculture Organization of the United Nations (FAO), the International Trade Centre UNCTAD/GATT (ITC), the International Labour Organisation (ILO) and the International Tropical Timber Organization (ITTO).

Resource requirements

4.115. Responsibility for carrying out the programme will be assumed by the Professional staff assigned to the programme. Consultants ($70,000) will be required to prepare studies and technical documentation. Meeting ($65,000) and travel resources ($60,100) will also be needed for a regional Consultation on the leather and leather products industry in Asia and the Pacific and for two workshops being held as a follow-up to the Consultations on Wood and Fisheries. Proposals related to the permanent panels of experts will be submitted to UNIDF for funding.

Resource increases/decreases

4.116. Regular budget resources show an increase of $246,500 and operational budget resources a decrease of $93,600. The increase in the regular budget results from the redeployment of an established P-3 post from subprogramme 432 (Heavy Industries) and a redeployment of one General Service post from subprogramme 435 (Office of the Director). Official staff travel increased marginally ($300) while resources for ad hoc expert group meetings have decreased ($5,600). Travel of participants to meetings has also decreased ($8,600), as have consultant resources ($15,400). The decrease in the operational budget is the net effect of abolishing 1 General Service post ($103,600) and increasing ad hoc expert group meeting resources ($10,000).

Major Programme: 400 INDUSTRIAL PROMOTION, CONSULTATIONS AND TECHNOLOGY
Programme: 430 System of Consultations
Subprogramme: 432 Heavy Industries

1994-1995 resource requirements
(In thousands of dollars, at 1993 rates)

Regular and operational budgets

	Staff Prof. wy/ms	GS/Other wy/ms	Cost	Consult.	Meetings	Travel	Other	Total	Previous biennium 1992-1993
RB	8/0	4/0	1,010.6	90.0	90.0	131.9	0.0	1,322.5	1,494.3
OB	0/0	0/0	0.0	0.0	30.0	0.0	0.0	30.0	22.0
Total	8/0	4/0	1,010.6	90.0	120.0	131.9	0.0	1,352.5	1,516.3

Subprogramme description

Introduction

4.117. The subprogramme supports activities of the System of Consultations programme related to basic industries such as building materials, construction and capital goods in addition to iron and steel and non-ferrous metals. As approved by the Board at its ninth session (IDB.9/Dec. 9) the main thrust of the subprogramme during the biennium will be at the regional level in Africa in the building materials and iron and steel sectors. At the global level the emphasis will be on environmental management and cleaner technology in the metallurgical industry. These three areas are closely related to the thrust of the medium-term plan 1992-1997 in which particular importance is placed on human resource development, development and transfer of technology, industrial rehabilitation, environment and energy, and small- and medium-scale industries.

Problems addressed

4.118. The Second Consultation on the Building Materials Industry held in 1991 recognized that the developing countries have not been able to satisfy the demand for housing and infrastructure. Owing to a low return on commodity exports and lack of capital to develop their own industry, most developing countries in Africa rely increasingly on imports of basic building materials. The development of the subsector is hampered by a lack of strategy and housing policies. Other major problems are the high cost of energy in the production processes and the lack of appropriate technologies which would allow an increasing use of indigenous raw materials and resources.

4.119. Considering the significant iron ore reserves in Africa, which account for approximately 7 per cent of world reserves, the continent's share of crude steel production in the 1980s was only 0.56 per cent of world production. The region's total consumption of steel - amounting to 1.56 per cent of world consumption - depends heavily on imports. Owing to shortages of foreign reserves in most producing countries, imports have declined, thus creating adverse effects on industrial development activities in adjunct sectors such as the manufacture of agricultural machinery and other capital goods.

4.120. A wide range of environmental problems derive from the metallurgical industry, which is one of the chief contributors to air, water and surface pollution. Trapping, isolating and processing gaseous liquid and solid wastes emanating from metal-producing and metal-finishing plants is a difficult and not inexpensive undertaking. Many producers world wide have since realized that improvements in the reduction of environmental problems can be achieved without incurring major capital outlays. Pollution-prevention programmes, waste minimization, better plant management and judicious utilization of raw materials and energy are major areas to be addressed by this subprogramme.

Objectives

4.121. The subprogramme seeks to identify major constraints confronting the developing countries in the development of industries covered by the subprogramme and to secure broad-based international support for policies, strategies and technical cooperation programmes to overcome those constraints. Those policies, strategies and technical cooperation programmes are directed towards governments, enterprises, institutions and policy makers and managers concerned with the development of industries covered by the subprogramme. Particular emphasis is placed on defining and promoting action-oriented measures at the regional level to increase the share of developing countries in world industrial output based on North-South as well as South-South industrial cooperation. Emphasis will also be placed on action-oriented measures to reduce the environmental impact of the metallurgical industry within sustainable development targets, as well as to maximize the use of indigenous raw materials and reduce energy costs in the building materials industry. In addition to increasing productivity in the iron and steel industry, the importance of development of human resources will be stressed, taking into account technological changes in the industry.

Output and activities

4.122. The subprogramme will prepare and convene a regional Consultation on the building materials industry in Africa as approved by the Board at its ninth session (IDB.9/Dec.9). A preparatory study will be undertaken on measures to improve cost-effective production of building materials and maximize the use of local raw materials. The study will identify major constraints on the industry and formulate policies for overcoming the problems identified. A global preparatory meeting will be held to identify the main issues to be discussed at the Consultation.

4.123. A regional Consultation on the iron and steel industry in Africa as approved by the Board at its ninth session will also be convened. Studies will be prepared at the sectoral level on: (a) the role of the iron and steel industry in Africa in the context of the region's industrial, technological and economic development; (b) appropriate policies and mechanisms required to stimulate investments and technological advances and improve the productivity in the sector; (c) rehabilitation strategies and regional cooperation prospects, and (d) environmental management policies and sustainable economic growth. A global preparatory meeting will be held to identify the basic issues to be discussed at the Consultation.

4.124. The subprogramme will convene a global Consultation on environmental management/cleaner technologies in the metallurgical industry as approved by the Board at its ninth session. Studies will be prepared on: (a) impact of pollution and steps necessary for promoting the application of cleaner technologies; (b) appropriate programmes for achieving environmentally efficient management control at the plant level; and (c) waste minimization programmes for safer environmental conditions. The studies will identify the constraints confronted by the industry and provide concrete solutions to the main problems identified. A global preparatory meeting will be held to identify the main issues to be discussed at the Consultation.

Coordination

4.125. The implementation of these activities will require close cooperation with the relevant units in the Organization, particularly those related to engineering industries, chemical industries and area programmes, as well as the environmental coordination units. All those units will be involved in both the preparatory and follow-up activities. Coordination will also be maintained with other agencies working in related fields, such as HABITAT (United Nations Centre for Human Settlements), UNEP (United Nations Environment Programme), AISA (African Iron and Steel Association), ILAFA (Latin American Iron and Steel Institute), SEAISI (South East Asian Iron and Steel Institute), and AISU (Arab Iron and Steel Union).

Resource requirements

4.126. Responsibility for coordinating activities and producing the outputs will be assumed by the Professional and General Service staff assigned to the subprogramme. Consultant resources ($90,000) will be required to cover regional studies and technical documentation to be prepared on the building materials industry as well as the iron and steel industry in Africa. Studies will also be prepared on environmental management and cleaner technologies in the metallurgical industry world wide. Resources will be required for global preparatory expert group meetings ($120,000) and travel ($131,900) related to the above-mentioned industrial sectors.

Resource increases/decreases

4.127. Regular budget resources show a decrease of $171,800 and operational budget resources an increase of $8,000. The decrease in the regular budget is a result of a reduction in consultant ($27,400) and meeting funds ($14,800), as well as of the redeployment of one P-3 post to subprogramme 431 (Light Industries) ($172,200), offset by increases of $27,800 and $14,800 under official travel of staff and participants in meetings, respectively. The operational budget increase is related to higher ad hoc expert group meeting requirements for the biennium.

Major Programme: 400 INDUSTRIAL PROMOTION, CONSULTATIONS AND TECHNOLOGY
Programme: 430 System of Consultations
Subprogramme: 433 Process Industries

1994-1995 resource requirements
(In thousands of dollars, at 1993 rates)

Regular and operational budgets

	Staff								
	Prof. wy/ms	GS/Other wy/ms	Cost	Consult.	Meetings	Travel	Other	Total	Previous biennium 1992-1993
RB	6/0	2/0	669.2	60.0	25.0	60.0	0.0	814.2	1,013.6
OB	0/0	2/0	103.6	0.0	10.0	0.0	0.0	113.6	131.3
Total	6/0	4/0	772.8	60.0	35.0	60.0	0.0	927.8	1,144.9

Subprogramme description

Introduction

4.128. The subprogramme supports activities of the System of Consultations related to process industries producing pharmaceuticals, petrochemicals, fertilizers and pesticides. It focuses on the crucial contribution of agro-chemicals to agricultural productivity, the close linkages between the petrochemical industry and other sectors of the economy and the essential role of pharmaceuticals in improving health conditions. In that context, certain priorities set in the medium-term plan come to the fore.

4.129. The petrochemical industry creates synthetic products which provide substitutes for conventional materials such as metal, natural fibre, rubber, glass, wood and paper. These have largely outclassed traditional materials in both performance and economy. The regional Consultation on downstream petrochemical industries in Latin America and the Caribbean will look into the inner workings of these multifaceted industries with a view to integrating them more fully into the national economies of the region.

4.130. With respect to the fertilizer industry, work will continue on elucidating the policy environment conducive to the growth of the sector in developing countries. Although some developing countries have recorded impressive achievements in increasing their production and use of fertilizers, the industry in many developing countries has remained a major bottleneck hampering the achievement of self-sufficiency in food production.

Problems addressed

4.131. In the petrochemical sector, the major problem is that of ensuring the most effective contribution of downstream petrochemical-processing industries to overall socio-economic activities, such as agriculture, industry, construction, communications, health, education, auxiliary services and direct consumption. It is essential that the subsector be fully integrated with other sectors of the economy. It is equally essential that forward and backward integration be achieved within the petrochemical industry itself.

4.132. Therefore the problem addressed is the formulation of policy guidelines for the integration and smooth development of downstream petrochemical processing industries as a major component of industrial advancement in the Latin American and Caribbean countries. The need for such policy guidelines has been voiced by the region's industry on numerous occasions.

4.133. Fertilizers and pesticides are crucial inputs to agricultural productivity. Increasing the manufacture and availability of agro-chemicals is of major concern to developing countries. As experience has shown, increasing average yields rather than expanding arable land and crop intensity ensures larger crops, and hence makes for improved food supplies.

4.134. Pharmaceutical products play an important role in health care programmes. In the pharmaceutical sector, local manufacture and supply of pharmaceutical chemicals needed for the production of pharmaceutical formulations are of major concern to developing countries given the non-availability of technology. In addition, medicinal plant-based resources are not exploited to the full. The improvement of production technologies, product standardization and scientifically controlled administration of plant-based medicines are areas that call for urgent attention in developing countries.

Objectives

4.135. The subprogramme seeks to identify the main constraints confronting the developing countries in the development of industries covered by the subprogramme and to secure broad-based international support for policies, strategies and technical cooperation and investment programmes to overcome those constraints. Those policies, strategies, technical and investment cooperation programmes are directed towards enterprises, institutions and policy makers concerned with the development of industries covered by the subprogramme. Particular emphasis is placed on defining and promoting action-oriented measures to increase the share of developing countries in world industrial output, based on North-South and South-South industrial cooperation.

4.136. The diversity in the level of development and hence the variety of experience acquired in the development of petrochemical downstream industries in the various countries of the Latin American region will be used to propose appropriate strategies in such fields as production complementarities, research and development, exchange of technical and market information.

Output and activities

4.137. In addition to following up the recommendations of the Regional Consultation on the Petrochemical Industry in the Arab countries, convened at Innsbruck in 1992, the subprogramme will convene a regional Consultation on the downstream petrochemical industry in Latin America and the Caribbean as approved by the Board at its ninth session (IDB.9/Dec.9). The overall objective of the regional Consultation remains the integrated development of the petrochemical industry in general and the role of downstream petrochemical processing industries in particular.

4.138. In the downstream petrochemical industries, activities will focus on strengthening regional and interregional cooperation and identifying alternative routes for those industries in response to specific economic and industrial realities of the Latin American region. In addition, special emphasis will be placed on environmental protection in connection with petrochemical processing industries. It is expected that a comprehensive document will be submitted for the consideration of the Regional Consultation, which will be preceded by a global preparatory meeting.

4.139. In the pharmaceutical sector, activities will focus on the development of the industry, including the production of pharmaceutical chemicals and pharmaceutical formulations. In addition, emphasis will be placed on achieving integrated development at the regional level, in particular in African countries. This will take into account the experience already gained in Asia and the Pacific region on two specific aspects related to medicinal and aromatic plants: (a) strategies and methodologies for the industrial utilization of medicinal and aromatic plants and the establishment of a plant-based pharmaceutical industry; and (b) mechanisms for subregional, regional and international cooperation in (a) introduction of agro-technology; (b) development of technologies for processing phytochemical, phytopharmaceutical and herbal medicines; (c) establishment of standards and quality assessment methods; (d) development of human resources and entrepreneurship; and (e) joint research and development programmes.

4.140. With respect to fertilizers and pesticides, the focus will be on (a) drawing up alternative strategies for the production and application of pesticides; (b) assessing the potential for producing pesticides from plant origins in developing countries; (c) combating the traditional risks associated with pesticide production and application such as adverse effects on human health, environmental contamination, strain resistance and pest resurgence; and (d) assessing alternative methods for pest control.

4.141. More specifically, efforts in the fertilizer sector will concentrate on the requirements of a policy environment conducive to the growth of the fertilizer industry in developing countries. To this end, an invitation extended by the Fertilizer Association of India (FAI) will be taken up and a workshop convened on the topic at New Delhi. Work will also continue on implementing the recommendations reached in 1991 at the Lahore Workshop on appropriate strategies for fertilizer technology and development.

4.142. Activities will also include the preparation of a comprehensive manual containing guidelines on an integrated approach to food production, with particular emphasis on the manufacture and application of agro-chemicals, as well as the study on conduct of measures to obviate the low rate of capacity utilization that constitutes one of the most important constraints on the development of the fertilizer industry, particularly in Africa.

Coordination

4.143. The activities described above will be executed in close cooperation with the appropriate units, in particular those units in subprogramme 522 (Chemical Industries) concerned with pharmaceuticals, petrochemicals, fertilizers and pesticides. The in-house advisory committees covering specific sectors and topics will also play a key role in integrating the Consultation process with other UNIDO activities. Coordination includes joint preparation of terms of reference for studies, active participation in organizing and convening expert group meetings, workshops, seminars and the Consultation meetings themselves, selection of consultants, nomination of participants and, occasionally, preparation of joint papers. Close coordination is also maintained with organizations in the United Nations system working in related fields, in particular WHO, UNESCO, UNCTAD, UNEP, FAO and the World Bank and the United Nations regional commissions.

Resource requirements

4.144. Responsibility for the output lies with the Professional staff members assigned to the subprogramme. Consultancy services ($60,000) will complement the staff resources in the preparation of studies and technical documentation, particularly in the preparation of a comprehensive, multisectoral analysis of an integrated approach to industrial inputs for agriculture. Other activities, such as convening a workshop on policy environment conducive to the growth of the fertilizer industry in developing countries, will be funded from extrabudgetary resources. To this effect, project documents will be drawn up by the staff and negotiations conducted with potential donors. Travel funds ($60,000) and ad hoc expert group meeting funds ($35,000) will be required for the biennium.

Resource increases/decreases

4.145. Regular budget resources show a decrease of $199,400 and operational budget resources a decrease of $17,700. The regular budget decrease relates to reductions in consultant ($55,200), travel ($53,600) and ad hoc expert group meeting funds ($90,600). The operational budget decreases relates solely to a reduction in ad hoc expert group meeting resources ($17,700). The combined effect of these variations is a total resource decrease of $217,100.

Major Programme: 400 INDUSTRIAL PROMOTION, CONSULTATIONS AND TECHNOLOGY
Programme: 430 System of Consultations
Subprogramme: 434 Common Topics

1994-1995 resource requirements
(In thousands of dollars, at 1993 rates)

Regular and operational budgets

	Staff								Previous
	Prof. wy/ms	GS/Other wy/ms	Cost	Consult.	Meetings	Travel	Other	Total	biennium 1992-1993
RB	4/0	6/0	742.6	80.0	66.0	60.0	0.0	948.6	923.8
OB	0/0	0/0	0.0	0.0	20.0	0.0	0.0	20.0	103.6
Total	4/0	6/0	742.6	80.0	86.0	60.0	0.0	968.6	1,027.4

Subprogramme description

Introduction

4.146. This subprogramme of the System of Consultations supports activities which cut across industrial sectors or subsectors. It focuses on those problems which affect all sectors in one way or another, covering human resource development, industrial rehabilitation/restructuring, small-scale industry sector/enterprise development as well as pollution control problems. The subprogramme will deal with a new sector, consulting engineering services, for which a Consultation is envisaged in the biennium.

Problems addressed

4.147. Industrial technologies are rapidly changing and new approaches are being developed world wide. Mastering a new technology, transferring it to industrial production and providing specific skills emanating from these rapid technological changes affect the human resource development requirements of developing countries. Building up, maintaining and upgrading technological skills give rise to severe problems in those countries: human resource development strategies and policies have to be formulated and put into effect, if industry is to secure with the skills it requires. In addition, the importance of maintenance at the management and workshop level cannot be underestimated and decision makers have to be convinced of the need for a maintenance strategy which increases factory output, avoids production stoppages and reduces delays in plant rehabilitation.

4.148. Small-scale industries and enterprises have been recognized as one of the major factors in employment creation and industrial development, in addition to being an untapped resource of managerial talent. That notwithstanding, the sector faces problems which brook no further delay. Global economic trends, such as privatization and structural adjustment policies currently being applied in many developing countries, have both positive and negative effects on the small-industry sector. The main issue is one of identifying the optimal way of providing the sector with the requisite services under changed circumstances.

4.149. Pollution caused by industry has become a hazard to health and environment. Minimizing waste and avoiding pollution at the production level have become major concerns in industrial development, and the subprogramme will have to address the pollution problems specific to the industrial sectors it covers.

4.150. The demand for consulting engineering services has risen constantly world wide owing to the complexity of modern production processes, changing technologies and specialization of equipment. Consulting engineering firms from developed countries are rapidly assuming an ever-increasing share of the work in developing countries, while their developing country counterparts are enjoying only marginal growth. A Consultation approved for the 1994-1995 biennium will address the problem of strengthening consulting engineering companies in developing countries and increasing their cooperation with companies from industrialized countries.

Objectives

4.151. The subprogramme seeks to identify the main constraints confronting the developing countries in fields covered by the subprogramme and to secure broad-based international support for policies, strategies and technical cooperation programmes to overcome those constraints. Those policies, strategies and technical cooperation programmes are directed towards enterprises, institutions and policy makers concerned with the development of the areas covered by the subprogramme. Particular emphasis is placed on defining and promoting action-oriented measures to increase the share of developing countries in world industrial output, based on North-South and South-South industrial cooperation.

Output and activities

4.152. In the area of human resource development, further efforts will be made to increase the responsiveness of private sector industries to the need to carry out sufficient maintenance work in order to secure a higher rate of industrial capacity utilization. A workshop on this topic will be held in Costa Rica for Latin American countries. It will not only focus on maintenance as a management tool at the plant level, but also highlight the national needs for institutions as a means of raising awareness of the importance of maintenance.

4.153. Small-scale industries and enterprises have assumed rightful importance through the shift in emphasis towards private sector development. Economic measures, such as the structural adjustment programmes followed by a number of countries in Africa, have had a mixed effect on the growth of the small-scale enterprise sector. A workshop is thus planned to identify the negative and positive effects of those economic developments on the sector and measures for lessening their impact will be developed. Extrabudgetary resources will be sought to finance this workshop. Another meeting in the same area of activity will focus on the specific problems faced by small-scale enterprises in small island countries in the Caribbean region. Once again the meeting costs will be met from extrabudgetary funds.

4.154. With regard to pollution control, activities will concentrate on analysing the pollution problems of all those industrial sectors and subsectors to be covered at forthcoming Consultations. To this end, other subprogrammes will undertake the requisite research.

4.155. Research work in preparation for the Consultation on consulting engineering services will start in early 1994. The Consultation will be prepared and conducted in close cooperation with the International Trade Centre UNCTAD/GATT (ITC) in Geneva. A state-of-the-art study on consulting engineering services for three regions (Latin America and the Caribbean, Asia and the Pacific and Africa) will highlight the current stage of development in that sector, its growth potential, possibilities of cooperation with industrialized countries, as well as ways and means of removing obstacles to growth. A preparatory meeting will be organized to determine the major issues for presentation to the Consultation.

Coordination

4.156. As in the past, close cooperation will be sought with the appropriate units throughout the Organization and the in-house advisory committees. Coordination will continue with ILO in the small-scale industry/enterprise sector, UNESCO in the field of human resource development and ITC in consulting engineering services. Contacts will be maintained with the United Nations regional commissions.

Resource requirements

4.157. The Professional staff assigned to the subprogramme will be responsible for coordinating and producing the output. Consultancy services ($80,000) will be required for the preparation of studies on consulting engineering services for Asia and the Pacific, Africa and Latin America and of some studies on problems facing island developing countries in the Caribbean region. The travel ($60,000) and ad hoc expert group meeting requirements ($86,000) requirements relate to the preparation and holding of the Consultation on consulting engineering services to be held during the biennium.

4.158. Project documents will be prepared in respect of a number of activities for which extrabudgetary funds are required.

Resource increases/decreases

4.159. Regular budget resources show an increase of $24,800. This increase is the net result of resource increases in consultants ($32,000), ad hoc expert group meetings ($66,000), travel of participants to meetings ($30,000), and staff resources in account of the redeployment of one GS post ($103,600) from subprogramme 435 (Office of the Director), offset by decreases in staff travel resources ($7,400) and staff resources due to the redeployment of one P-4 post ($199,400) to subprogramme 421 (Industrial Investment Programmes). The non-staff resource increases relate to the preparation and holding of the Consultation on Consulting Engineering Services.

4.160. Operational budget resources show a decrease of $83,600 which is the result of the abolition of one GS post ($103,600), offset by an increase of $20,000 in ad hoc expert group meeting funds.

Major Programme: 400 INDUSTRIAL PROMOTION, CONSULTATIONS AND TECHNOLOGY
Programme: 430 System of Consultations
Subprogramme: 435 Office of the Director

1994-1995 resource requirements
(In thousands of dollars, at 1993 rates)

Regular and operational budgets

	Staff Prof. wy/ms	GS/Other wy/ms	Cost	Consult.	Meetings	Travel	Other	Total	Previous biennium 1992-1993
RB	4/0	6/7	805.8	32.0	15.0	40.7	83.3	976.8	1,219.1
OB	2/0	0/0	232.4	0.0	9.7	0.0	62.8	304.9	232.4
Total	6/0	6/7	1,038.2	32.0	24.7	40.7	146.1	1,281.7	1,451.5

Subprogramme description

Introduction

4.161. This subprogramme is responsible for coordinating, monitoring and ensuring the overall management of the System of Consultations programme and component subprogrammes. It thus supports the sectoral activities and those related to specific topics in terms of research support and maximum enhancement of operational efficiencies.

Problems addressed

4.162. Given the rapid changes in the world economy, it is necessary to ensure that the System of Consultations adapts itself to those changes and selects topics for consultation that relate both to the priorities of the medium-term plan and to the recognized needs of developing countries. In order to promote sustained industrial development, it is necessary to monitor new trends as well as changes in the policy environment, markets and financial structures in both developing and developed countries.

Objectives

4.163. The subprogramme seeks to monitor world economic trends and priorities of developing countries in order to provide a basis for proposing new topics for Consultations so that action-oriented measures can be identified and formulated at the national, regional and interregional levels. The subprogramme ensures coordination within the Organization as a whole and maintains contacts with other international organizations, intergovernmental organizations, non-governmental organizations and regional groups. In addition, the effective response to resolutions and decisions of the legislative bodies contribute to the enhanced efficiency and integrated programme approach of the System of Consultations.

Output and activities

4.164. The activities of the subprogramme concentrate on supporting all sectors and topics covered by the System of Consultations through research and studies so as to ensure a high level of programme efficiency and quality. Particular attention is paid to the translation of the recommendations of Consultations into follow-up programmes and projects for developing countries, particularly for the least developed countries and IDDA. Emphasis will be placed on providing advisory services to governments and the private sector and on using the System as a conduit for technical assistance and investment programmes. Continuous contacts and consultations will be maintained with international organizations, intergovernmental organizations, non-governmental organizations, universities, manufacturing associations and research institutions in order to enrich the substantive content of Consultations as well as to develop and strengthen international cooperation.

4.165. These activities will result in the following outputs: (a) studies on world trends in selected industrial sectors and topics, focusing on the medium-term plan priorities, including the integration of women in development; (b) reports on technical assistance programmes and projects emanating from Consultations; (c) reports to the Industrial Development Board on the progress in the Consultation process in all sectors and topics (1994-1995); (d) reports to the Industrial Development Board on the implementation of policy recommendations, international cooperation measures (North-South and South-South) and technical cooperation and investment activities arising from Consultations in selected sectors (1994-1995); (e) report on closer links between the activities of the System of Consultations and those of programme 420 (Industrial Investment); (f) study on ways and means of facilitating synergy with other units in the Secretariat, particularly those involved in technical cooperation and investment promotion; and (g) promotion of the activities of the System of Consultations and, more specifically, wider dissemination of the System's recommendations.

Coordination

4.166. Close coordination will take place with all Divisions and Units in UNIDO, particularly through the in-house sectoral advisory committees while coordination with international organizations, such as FAO, ILO, UNCTAD/GATT (ITC), WHO and HABITAT will take place on a regular basis.

Resource requirements

4.167. Responsibility for carrying out the programme of work will be assumed by the Professional staff assigned to the subprogramme. The General Service staff lend logistical, editorial and research support to all units of the programme. Consultants ($32,000) will be required to prepare studies on world trends in particular sectors and on ways of enhancing the efficacy of the programme through greater synergy with other units of the Secretariat. Funds are required for expert group meetings ($24,700) to advise on new orientations for the programme and to enable the System to make a timely response to changes in the world economy. Travel funds ($40,700) are required for attendance at meetings, for the promotion of the System of Consultations and coordination with Governments, international organizations, non-governmental organizations and public and private enterprises. Temporary assistance ($19,000) and overtime ($2,000) will be required to ensure adequate support during meetings and peak workload periods. The subprogramme also manages the joint printing for the programme as a whole ($133,300) and its hospitality allocation ($12,800). The hospitality funds proposed will cover the cost of hosting gatherings (during or after Consultations and expert group meetings) for government officials, ministers, directors of industry, business executives and other participants.

Resource increases/decreases

4.168. Regular budget resources show a decrease of $242,300 and the operational budget an increase of $72,500. The regular budget decrease is the net result of redeploying two General Service posts ($207,200) to subprogrammes 431 (Light Industries) and 434 (Common Topics), increasing consultant resources ($16,000) and ad hoc expert group meetings ($15,000), reducing travel funds ($3,300) and transferring hospitality funds ($12,800) and printing funds ($50,000) to the operational budget. The operational budget resource thus relates to growth in hospitality funds (12,800), printing funds ($50,000) and ad hoc expert group meetings ($9,700).

Major Programme: 400 INDUSTRIAL PROMOTION, CONSULTATIONS AND TECHNOLOGY
Programme: 440 Technology Development and Promotion

1994-1995 resource requirements
(In thousands of dollars, at 1993 rates)

Regular and operational budgets

	Staff Prof. wy/ms	GS/Other wy/ms	Cost	Consult.	Meetings	Travel	Other	Total	Previous biennium 1992-1993
RB	46/0	34/5	6,336.0	499.9	188.6	122.2	362.0	7,508.7	7,505.0
OB	4/0	12/0	1,019.6	195.0	92.0	102.6	90.0	1,499.2	2,161.9
Total	50/0	46/5	7,355.6	694.9	280.6	224.8	452.0	9,007.9	9,666.9

By subprogramme

	Staff								
	Prof. wy/ms	GS/Other wy/ms	Cost	Consult.	Meetings	Travel	Other	Total	Previous biennium 1992-1993
441 Industrial and Technological Information	16/0	18/0	2,401.4	170.0	58.0	68.8	388.6	3,086.8	3,523.9
442 Technology Acquisition and Negotiation	8/0	4/0	945.0	92.0	34.0	29.0	28.0	1,128.0	1,150.7
443 Technology Promotion	22/0	18/0	3,176.2	382.9	168.6	97.0	35.4	3,860.1	4,001.0
444 Office of the Director	4/0	6/5	833.0	50.0	20.0	30.0	0.0	933.0	991.3
Total	50/0	46/5	7,355.6	694.9	280.6	224.8	452.0	9,007.9	9,666.9

Programme description

Development objectives

4.169. The objectives of this programme are broadly described in paragraphs 225-230 and 238-239 of the draft medium-term plan for 1994-1999 (IDB.10/5 and Add.1). The programme aims at the implementation of selected aspects of the more comprehensive programme described in document IDB.3/26, which was endorsed by the Industrial Development Board.

4.170. The objectives are to carry out a set of coherent activities at Headquarters and at the national and international levels to assist developing countries at different stages of development to acquire, apply, develop and manage technologies against a global background of technological change. The focus is on three key areas of importance to developing countries. The first objective is the promotion of a greater flow of industrial and technological information for decision-making by Governments and enterprises in developing countries through networking and databases and helping those countries to access and use information, manage information resources and monitor technological trends. The second objective is to help developing countries handle technology in its trans-sectoral aspects as a factor of production in its own right, with particular emphasis on technology policy and management and acquisition and transfer of technology. The third objective is to enhance the awareness of developing countries of the potential and implications of technological advances and to promote long-term capability building in selected fields such as informatics, biotechnology and genetic engineering, new materials and marine industrial technologies, highlighting and promoting the concept of the appropriateness of technologies in the context of conditions prevailing in the 1990s and blending modern and traditional technologies.

4.171. An important aspect of the work of the Division is the design and implementation of "major promotional projects" with human and financial resources that span several years. Such projects lend coherence and critical mass to the work in selected activity areas, producing a stream of output of a promotional and advisory nature spread over several years. Examples are the International Centre for Genetic Engineering and Biotechnology (ICGEB), International Centre for Science and High Technology (ICS), Technological Information Exchange System (TIES) and Industrial and Technological Information Bank (INTIB).

Relationship to medium-term plan priorities

4.172. The priority theme of development and transfer of technology finds explicit expression through this programme. All subprogrammes relate to human resource development through capability-building in their respective areas. Several of the outputs planned, including networks, envisage cooperation between developing countries. Subprogrammes 443 (Technology Promotion) and 441 (Industrial and Technological Information) envisage activities in support of the priority themes of energy and environment. All subprogrammes pay attention in some of their activities to the needs of small- and medium-scale enterprises. Technology management activities are also of relevance to the rehabilitation and modernization of industrial enterprises.

New features

4.173. During the biennium 1994-1995 the activities of the programme will display the following features: (a) more focused activities in each subprogramme and greater selectivity in terms of areas taken up; (b) outputs linked to problem-oriented activities of practical relevance; (c) greater focus on international cooperation mechanisms, including technology centres and networks; (d) closer linkage to industry; (e) expansion of and generation of income through information activities, including energy and environmental information, with all technology-related information activities being grouped in one subprogramme; (f) greater coherence and specificity of activities relating to basic technological infrastructure through concentration on appropriate technologies, with special attention being paid to the least developed countries; (g) given the changes in international technology transfer practices and the general climate for technology transfer, closer focus of technology acquisition activities on current trends in technology transfer arrangements, particularly new technologies, as well as the expansion and reorientation of the TIES system into a promotional network; and (h) implementation of technology policy and management activities in the Office of the Director to ensure greater coherence and effectiveness and make for an appropriate mix of inputs in each instance.

Variation over the previous biennium

4.174. The organizational structure of this programme has undergone changes over the previous programme and budget. The changes were implemented within the context of the reorganization of the Secretariat as described in the Director-General's bulletin UNIDO/DG/B.156, which entered into effect as of July 1992. Former programme 440 (Industrial Technology Promotion) and former programme 450 (Industrial Technology Development) were merged into one programme: programme 440 (Technology Development and Promotion). This merger has yielded savings through the redeployment of one operational budget D-1 post to programme 410 (Office of the Deputy Director-General) whence it has been redeployed to subprogramme 354 (Office of the Director, Industrial Cooperation and Funds Mobilization).

4.175. The activities related to the establishment of techno-economic intelligence capabilities in developing countries and the formulation of national technology policies and strategies previously carried out by former subprogramme 412 (Programme Development) have been transferred to this programme.

4.176. Given the lower operational budget income anticipated for the biennium 1994-1995 across UNIDO as a whole, this programme has undergone a substantial reduction. While regular budget resources appropriated under this programme show a slight increase of $3,700, operational budget resources have decreased by $662,700.

4.177. Other structural and budgetary changes within the programme are indicated at the subprogramme level.

Major Programme: 400 INDUSTRIAL PROMOTION, CONSULTATIONS AND TECHNOLOGY
Programme: 440 Technology Development and Promotion
Subprogramme: 441 Industrial and Technological Information

1994-1995 resource requirements
(In thousands of dollars, at 1993 rates)

Regular and operational budgets

	Staff Prof. wy/ms	GS/Other wy/ms	Cost	Consult.	Meetings	Travel	Other	Total	Previous biennium 1992-1993
RB	14/0	10/0	1,788.4	130.0	34.0	38.8	298.6	2,289.8	2,430.8
OB	2/0	8/0	613.0	40.0	24.0	30.0	90.0	797.0	1,093.1
Total	16/0	18/0	2,401.4	170.0	58.0	68.8	388.6	3,086.8	3,523.9

Subprogramme description

Introduction

4.178. For effective industrial and technological development, it is vital that UNIDO Member States enjoy access to several categories of information and knowledge. In this respect, UNIDO generates, provides access to and disseminates information in a variety of forms and ways. Within the context of the medium-term plan relating to the development and transfer of technology, access to technological information and technological knowledge and other industrial information is provided through the services of INTIB, as well as through monitoring the changing global technological scene and assessing the impact of new technologies on the global industrial and technological market. The interaction of these services will add value to the services provided to Member States, in particular making for better decision-making by their Governments and enterprises. In the midst of a global information explosion fuelled by advances in computer and communication technologies, developing countries need to be assisted in strengthening their physical and human capabilities to access and process information from a variety of sources for use by their Governments, enterprises and institutions.

4.179. The activities of the subprogramme will be directed towards: (a) establishing or expanding regional, subregional and national networks, developing sectoral information INTIB networks, and applying modern information and communication technologies to upgrade the abilities of network participants to provide value-added information services; and (b) ensuring effective resource management of UNIDO generated information, as well as publishing and monitoring technology trends world wide. The subprogramme aims at fostering regional cooperation in information activities in general, and at strengthening the information systems of the least developed countries. The areas covered by the subprogramme correspond to the following priority problem areas identified in the medium-term plan: development and transfer of technology; small- and medium-scale industries; human resource development; environment and energy; and economic cooperation among developing countries.

Problems addressed

4.180. Although industrial and technological information is recognized as a key factor in development and marked shifts have occurred globally in the way information is accessed, processed and distributed, developing countries still use the methods and technologies of an earlier generation. They do not yet dispose of a network infrastructure that can take advantage of and manage such information. As a result, developing country enterprises, particularly small- and medium-scale enterprises, lack information on technology, sources of technology, equipment, markets, standards and raw materials; the countries in which they operate lack organizations capable of making up these deficiencies. The major problem is the lack of information on where to find appropriate information at the right time. With the advent of advanced techniques for accessing, collecting and retrieving of information, the developing countries need to upgrade their human resources for handling and using available information resources. In the ultimate analysis, information has to be treated more and more as a commercial good.

4.181. To maximize the benefits and minimize the negative effects of technology on social and economic development, developing countries must manage technology appropriately. Monitoring is an essential element of such management. Technology monitoring is a comprehensive system for systematically watching world-wide trends in technological development and applications, as well as the use being made of technology at the national level in each industrial sector. Governments and industrial concerns in developed countries monitor technological progress to ensure that their industrial and technological efforts are not jeopardized and that they do not lag behind in critical areas. For developing countries, with their limited resources and often greater susceptibility to the negative aspects of technology-led change, such activities are doubly important. The developing countries often lack the skills and the resources for effectively monitoring technological developments, which have to be increasingly viewed in the context of macroeconomic trends and changes in government policies and markets, including moves towards integrated regional markets.

4.182. Industrial inquiries received by INTIB via its networking system are becoming increasingly specialized and oriented towards problems related to investment, environmental and operational aspects of technology selection; they also pertain to advanced technologies, competitiveness and market trends. In order to satisfy this demand for information, the concept of INTELL (techno-economic intelligence) has to be applied and developing countries helped to develop or secure access to such technologies, particularly at the enterprise level.

Objectives

4.183. The subprogramme undertakes the development of regional, subregional, national and sectoral (viz. energy, environment, materials and biotechnology) information networks with a view to: (a) securing developing countries access to specific information on the advanced and appropriate technologies they require, on the new uses of current technologies and on new developments and their possible adaptation to local needs; and (b) helping developing countries select technologies that meet their requirements. The networks are designed to facilitate and accelerate the cost-effective flow of relevant information to INTIB users in developing countries for the proper selection of technologies and equipment in selected industrial sectors and to promote UNIDO activities and services. Furthermore, the subprogramme aims to enhance in-house coordination in terms of technology knowledge and information resource management, taking due account of and utilizing in greater measure personal computers and the new mainframe facilities. The subprogramme will continue its efforts to bring about a shift in its activities away from information collection and direct supply to developing country clients towards access and referral to, as well as networking of, information sources, thereby increasing the capabilities of developing countries to use modern communication techniques for information access and analysis of techno-economic information gathered.

4.184. In addition, the subprogramme aims at increasing developing countries' awareness of the implications of emerging technological changes. It prepares studies and reports on selected sectoral areas (genetic engineering and biotechnology, microelectronics, new materials, advanced manufacturing technology and marine industrial technology), issuing them as awareness bulletins (technology monitors series and state-of-the-art trends reports on selected topics) in order to provide policy and decision makers in Government, institutions and industry with information frequently not otherwise easily or readily accessible. A network of monitoring support will be established with Governments, national scientific and technological development institutions and industry in developing countries.

Output and activities

4.185. Programme outputs will emphasize improved timeliness and quality of information needed by decision makers concerned with industrialization and small-and medium-scale enterprises through: (a) four computer-linked INTIB regional (Africa, Asia and Pacific, Latin America and Caribbean and Europe) networks; (b) three subregional and a number of national networks, and international sectoral networks in the fields of environment, energy, materials, food technology, and biotechnology in cooperation with substantive units concerned; (c) development of a referral information system on sources of industrial and technological information to provide an efficient decentralized inquiry service to small and medium enterprises, with continuing activation of national focal points; and (d) enhancement of relevant operational databases on Research Institutions Directories, Guides to Information Sources, Technology Supply (offers, requests and joint venture opportunities), Environment/Energy, Metadex Plus (Materials Abstracts), IDA (Industrial Development Abstracts of UNIDO), FSTA (Food Science Technology Abstracts) and BIOINF. Other outputs will include: (a) adequately trained trainers in the networks on the use of databases and modern information and communication technologies through training workshops, seminars and meetings; (b) upgraded information handling and resource management capacities and capabilities of selected information centres through the development and implementation of 10 to 15 technical cooperation projects based on the country requests to meet the ever-changing information needs of the participating countries; (c) initiation of work on training packages for industrial and technological information analysis and launching of the concept of information companies in the private sector for the purposes of information access and analysis; and (d) two "TECHMART" (Technology Market - Technology Transfer Fair for Developing Countries) events to broaden the exchange of information on technologies available for transfer and to bring together buyers and sellers of such technologies.

4.186. The technology monitoring support activities in relation to emerging new technologies, particularly in relation to their transectoral aspects and impact, will yield the following outputs: (a) five Technology Monitors issued quarterly covering microelectronics, genetic engineering and biotechnology, new materials, advanced manufacturing technologies and marine industrial technology; (b) special studies in selected areas of technology as part of the Technology Trends series or as regular DIPCT documents, carried out in conjunction with programmes for those areas; (c) the Technology Trends series, with the series setting the changing technology in a dynamic framework, providing extrapolations of trends and identifying the industry context for key aspects of technology, the policy directions taken by the technology leaders and the probable implications for developing countries. The series is intended to enhance the awareness of developing country Governments, institutions and enterprises to the constantly changing aspects of technology development and transfer. Further outputs will include: (a) a biennial survey drawing on a network of some six to eight highly qualified specialist institutions, analysing the impact of selected new technologies on the global industrial and technological market and on the policies and programmes of developed and developing countries for stimulating the application of new technologies and technological development. To that end, an institutional mechanism or network will be set up to share and use the output of the technology monitoring activities of the participants and to collate selected outputs in a survey available to all; (b) the establishment of a roster of high-level experts on selected advanced technologies. Though not available for project duties, these experts will act as referral points on technology issues or provide advice, thus assisting in fostering international scientific and technological cooperation; and (c) publication in six languages of the UNIDO Newsletter, whose format and content will be reviewed and mailing list expanded provided resources are available. The subprogramme will also continue to monitor the technology-related activities of the United Nations and other agencies.

4.187. Activities also include: (a) publication of eight issues of IDA abstracts; (b) sectoral dossiers/information packages; (c) directories related to sectors covered by the System of Consultations; (d) guides to information sources and promotional materials related to technological information such as INTIBNET and TIES newsletters; (e) environment and energy bulletins; (f) features, articles and news releases; and (g) directories of available technologies aimed at INTIB end-users so as to increase awareness of UNIDO technical activities and thus stimulate more requests for technical cooperation projects from developing countries.

4.188. Continuing emphasis will be placed on the use of computer resources and information technologies in the preparation of manuscripts, with a view to using computer techniques as a cost- and time-effective tool for speedy production. Investigations will also be carried out into the viability of "electronic publishing" (diskette, CD-ROM, etc.).

4.189. All these activities will help to enhance the availability and use of in-house information leading to the development and implementation of information-intensive technical cooperation projects and to the functioning of INTIB as the technology intelligence centre of UNIDO.

Coordination

4.190. The subprogramme will cooperate and coordinate its activities with programme 420 (Industrial Investment), programme 430 (System of Consultations) and the programmes in major programme 500. It will also maintain cooperation with major programme 300, in particular subprogramme 321 (ECDC) and 337 (Office of the Director, Least Developed Countries). It will also maintain close coordination with programme 850, (Management Information Services). Every effort will be made to coordinate the activities with other United Nations organizations such as UNESCO, FAO, UNEP, IAEA and ITU.

4.191. Marketing of selected UNIDO/INTIB generated products and services will enhance operational efficiency within the Organization as well as support the further expansion and strengthening of various INTIB maintained networking systems. The income generated will help the move towards the partially self-sustained operation of INTIB as the technology intelligence centre of UNIDO. Some income is also expected to be generated by charging a handling fee for monitors distributed to readers in developed countries.

Resource requirements

4.192. In carrying out the activities described above, the subprogramme will rely on its Professional staff resources, assisted by General Service support staff. It will draw on consultants ($170,000) to advise selected institutions participating in the regional/subregional/national INTIB networks on the optimal utilization of network capabilities and establishment of on-line linkages with other sources of technology data. Consultants will also help in enhancing relevant operational databases, networks and systems. Travel resources ($68,800) will be needed so that staff can undertake missions to promote the INTIB network, instal databases, establish communication linkages and train network participants in their use. Staff will also travel to meetings and conferences so as to keep abreast of developments in information management and to provide ad hoc advisory services on information resource management. Meeting funds amounting to $58,000 are needed, in addition to resources for printing ($333,300) and other ecialized services ($55,300) encompassing contractual services for indexing/abstracting documents for e Industrial Development Abstracts, computer network communication costs and the acquisition of ecialized manuals on the dissemination of industrial information.

source increases/decreases

193. Regular budget resources show a decrease of $141,000 and operational budget resources a decrease of 96,100. The regular budget decrease is due to a reduction of staff resources on account of the deployment of a General Service post ($103,600) to subprogramme 443 (Technology Promotion) as well as to creases in consultants ($30,800), printing funds ($12,000) and travel funds ($4,000) with increases in hoc expert group meetings ($1,000) and other specialized services ($8,400). The operational budget crease is the net effect of redeploying a General Service post ($103,600) to subprogramme 443 echnology Promotion) and abolishing another General Service post ($103,600), decreases in consultant nds ($115,400), travel ($4,400), other specialized services ($19,500) and communications ($56,800), ffset by increases in ad hoc expert group meetings ($24,000) and printing funds ($83,200).

Major Programme: 400 INDUSTRIAL PROMOTION, CONSULTATIONS AND TECHNOLOGY
Programme: 440 Technology Development and Promotion
Subprogramme: 442 Technology Acquisition and Negotiation

1994-1995 resource requirements
(In thousands of dollars, at 1993 rates)

egular and operational budgets

	Staff Prof. wy/ms	GS/Other wy/ms	Cost	Consult.	Meetings	Travel	Other	Total	Previous biennium 1992-1993
B	8/0	4/0	945.0	47.0	34.0	19.0	28.0	1,073.0	944.5
B	0/0	0/0	0.0	45.0	0.0	10.0	0.0	55.0	206.2
otal	8/0	4/0	945.0	92.0	34.0	29.0	28.0	1,128.0	1,150.7

Subprogramme description

Introduction

4.194. The subprogramme addresses the evolving issues of technology acquisition and transfer including new types of technological partnerships, commercialization and export of industrial technologies, the performance of contracts and technology assimilation and adaptation in an environment characterized by rapid technological advances particularly in new and emerging fields, the increasing globalization of industrial and technology markets, liberalization of investment and technology markets and the changing approaches to intellectual property. It aims at building awareness and strengthening capabilities in those areas with a view to stimulating the flows of technology and investment to developing countries. The subprogramme takes up two priority problem areas identified in the medium-term plan: human resource development and development and transfer of technology. It also focuses on new programmatic initiatives highlighted in the medium-term plan such as advisory services on technology acquisition and negotiation to be provided as an integral part of investment promotion services at the enterprise level, with special emphasis on new forms of financing technology transfer and introducing an expert system for contract drafting and negotiation. The subprogramme further seeks to promote networking at the country, regional and global levels among institutions involved in technology transfer, adaptation and innovation within the context of ECDC. The technology policy component previously dealt with by this subprogramme has been transferred to subprogramme 444 (Office of the Director).

Problems addressed

4.195. The present decade will witness the ever-growing complexity of issues related to technology acquisition and transfer, particularly from the standpoint of the developing countries. These countries face new challenges arising from: rapid advances in technology and the emergence of new technologies, such as informatics and biotechnology; the growing trend towards new modalities of technology transfer and strategic partnerships, such as R and D consortia, customer-supplier networks and university-industry partnerships; and the increasing globalization of industrial and technology markets and the resultant dramatic change in market forces. There is no doubt that a large part of the developing world is being by-passed by the "technological revolution" of today. If ignored, this could lead to a widening technological gap between developed and developing countries. Developing countries need to re-examine their practices on such aspects as technology transfer and investment regulations (particularly in the context of growing liberalization and the greater role being assumed by the private sector in many countries), negotiation strategies, intellectual property protection and commercialization and export of locally developed technologies so as to ensure that technology acquisition and transfer are coupled with endogenous capability-building. Finally, there is the evident and crucial need to respond to the challenge of providing developing countries, at an affordable price and under acceptable contractual conditions, with environmentally-sound and energy-efficient technologies.

4.196. There is a lack of awareness of the opportunities for and alternatives to accessing new technologies and successfully implementing the technology transfer process, for want of infrastructure, human resources and information on technology and skills available. Developing countries need to make fuller use of their own technology development capabilities; they need to establish effective liaison and contractual relationships between private industry and local research and development. Practices and attitudes need to be constantly reassessed and a better understanding promoted between suppliers and recipients of technology. Given the changes currently taking place, emerging technology transfer trends and possible improvements in both the national and international environment need to be constantly reviewed so as to facilitate technology flows.

Objectives

4.197. The basic objective of the subprogramme is to strengthen the capacity of developing countries in the evaluation of technology in connection with the acquisition process, to increase their awareness of the range of alternatives available to them and enhance their capability to negotiate and acquire technology on the best possible terms with minimum restrictions and with the requisite support services that enable technology absorption, adaptation and innovation to take place. Through a series of interrelated activities, the subprogramme endeavours to assist developing country Governments in implementing legal and institutional measures to promote technology acquisition and export, in establishing a more systematic linkage between technology transfer, adaptation and innovation through networking of relevant institutions and organizations, and in commercializing R and D results through licensing agreements, partnerships and other developer-user arrangements. The subprogramme contributes to the enhancement of technology acquisition capabilities through systematic educational and training activities aimed at improving the knowledge of both policy makers and negotiators of technology market characteristics, enhancing the understanding between suppliers and buyers and increasing awareness of critical issues governing technology transfer transactions. The subprogramme prepares materials and guidelines for negotiators on new and innovative forms of technology transfer transactions, such as strategic partnering and an expert system for contract drafting and negotiation.

4.198. The subprogramme also develops and contributes to implementing programmes and projects related to technology acquisition and negotiations as well as joint ventures, such as investment promotion activities, plant-level cooperation and TECHMART programmes.

Output and activities

4.199. To achieve the above objectives, the subprogramme will review trends in technology development and transfer as well as technology import and export issues. It will organize a meeting of selected technology transfer institutions to assess technology transfer trends and discuss new directions for TIES; it will also continue its dialogue and cooperation with the Licensing Executives Society (LES) and move ahead with maintaining and upgrading the TIES system (network of technology transfer agencies).

4.200. These and other activities will be aimed at achieving the following outputs during the biennium 1994-1995: (a) a study on the development and potential new dimensions of the TIES network, including an action programme, in the light of changes in the international environment related to transfer of technology; (b) two studies on trends in technology development and transfer, due attention being paid to issues associated with technology acquisition and transfer in the field of new technologies and innovative forms of technology business; (c) a study analysing trends and related contractual issues in respect of technology transfer from research institutions to industries; (d) four country monographs on technology transfer regulations and practices in developing countries; (e) a quarterly TIES Newsletter on developments relating to technology transfer and acquisition at the national and international levels; (f) TIES Watch Information Note Series with updates on technology transfer issues.

4.201. Furthermore, the subprogramme will provide technical assistance and advisory services to developing country Governments and entrepreneurs in such areas as: contract performance; implementing legal and institutional measures to promote technology acquisition and export; and commercializing R and D results through licensing agreements, partnering and other forms of developer-user arrangements, with special attention to the acquisition of environmentally sound technologies. Ten users will be assisted through the provision of advisory services either in the form of desk services at UNIDO headquarters or field assistance. Two missions related to the provision of specialized assistance and advisory services on technology transactions will be undertaken in conjunction with investment promotion forums (see subprogramme 421) and the TECHMART programme (see subprogramme 441). In order to boost its advisory capabilities, the subprogramme will develop, promote and disseminate materials and innovative tools such as an expert system for the drafting and negotiation of contracts.

4.202. With particular emphasis on human resource development, the subprogramme will also produce trained developing country negotiators from Government, public and private sectors alike in the field of technology acquisition and negotiation. It will also train trainers as a means of creating conditions for self-sustained training capabilities in developing countries in the field of technology transfer negotiation. Using a comprehensive manual designed for regular UNIDO courses on technology transfer negotiations in developing countries, the subprogramme will conduct systematic educational activities aimed at heightening awareness of critical issues in this regard.

4.203. These outputs and activities are directed towards a wide range of institutions concerned with technology transfer transactions, such as technology transfer offices, foreign investment authorities, research institutes, technology financing institutions, chambers of commerce and industrial associations, including licensing practitioners. In addition, they will be of benefit to entrepreneurs negotiating technology acquisition or joint ventures. The educational activities will also address institutions and potential trainers from developing countries so as to contribute to greater national self-reliance in training of negotiators.

Coordination

4.204. The subprogramme and programme cooperates closely with subprogrammes and programmes within the same major programme such as the subprogramme 441 (Industrial and Technological Information) and its activities, viz. the TECHMART programme, subprogramme 443 particularly in relation to advanced technologies, and subprogramme 444 in relation to technology policy and management. It will cooperate with programme 421 (Industrial Investment) in the conduct of investment promotion forums and programme 430 (System of Consultations). It will also contribute to technical cooperation undertaken at the subprogramme level by programme 350 (Industrial Cooperation and Funds Mobilization) and activities undertaken by subprogramme 423 (Feasibility Studies). It will continue to strengthen its links with other agencies and organizations involved in the same and complementary fields such as UNCTAD, TCMD (Transnational Corporations and Management Division of the United Nations), the United Nations Department for Policy Coordination and Sustainable Development, IFC, Programme for Development Co-operation (University of Helsinki), FAST Programme/European Economic Community and the Licensing Executives Society (LES).

Resource requirements

4.205. The responsibility for coordinating and producing the outputs will be assumed by the Professional staff assigned to the subprogramme assisted by General Service support staff. Consultant funds ($47,000 RB and $45,000 OB) will be required to conduct studies on the development and potential new dimensions of the TIES network, technology development and transfer trends with due attention to issues of technology acquisition and transfer in the field of new strategic partnering. Ad hoc expert group meeting resources ($34,000 RB) will be required to organize a meeting of selected technology transfer institutions to assess trends in technology transfer and discuss new directions for TIES. Travel funds ($19,000 RB and $10,000 OB) will enable staff to undertake missions to developing countries, to provide technical cooperation and advisory services to Governments and entrepreneurs in such areas as contractual performance and partnering.

Resource increases/decreases

4.206. Regular budget resources show an increase of $128,500 and operational budget resources a decrease of $151,200. The regular budget increase is the net effect of increasing staff resources ($133,800) by redeploying a P-2/1 post from subprogramme 443 (Technology Promotion), and increasing consultant ($20,400), travel ($2,600) and printing funds ($1,600), while reducing ad hoc expert group meetings by $29,900. The operational budget decrease is the net effect of abolishing one General Service post ($103,600), decreasing consultant funds ($51,000) and introducing a minor increase in travel ($3,400).

Major programme: 400 INDUSTRIAL PROMOTION, CONSULTATIONS AND TECHNOLOGY
Programme 440: Technology Development and Promotion
Subprogramme: 443 Technology Promotion

1994-1995 resource requirements
(In thousands of dollars, at 1993 rates)

Regular and operational budgets

	Staff								
	Prof. wy/ms	GS/Other wy/ms	Cost	Consult.	Meetings	Travel	Other	Total	Previous biennium 1992-1993
RB	20/0	14/0	2,769.6	302.9	120.6	49.4	35.4	3,277.9	3,252.8
OB	2/0	4/0	406.6	80.0	48.0	47.6	0.0	582.2	748.2
Total	22/0	18/0	3,176.2	382.9	168.6	97.0	35.4	3,860.1	4,001.0

Subprogramme description

Introduction

4.207. The subprogramme carries out a mix of promotional activities that aim at assisting the developing countries to apply, adapt or develop a plurality of technologies of varying sophistication against a backdrop of technological change and in the context of emerging macroeconomic and industrial trends. Promotional measures will be essentially confined to: generating awareness among policy makers and enterprises; building up long-term capability, including the promotion of centres or networks where necessary and feasible; and mobilizing international cooperation particularly on the part of the scientific and technological community and through cooperation among developing countries. Promotional work will continue to focus on selected generic technologies which bear far-reaching implications for industrial development: information and telecommunications, biotechnology, new materials, manufacturing technologies, marine industrial technology and new and renewable technologies. In addition, and in order to ensure a balanced approach to technology choice and application, the subprogramme will also address the overall issues of selection and application of appropriate technologies suitable for the 1990s and compatible with sustainable development and the test of the market place. The programme thus hopes to address issues of relevance to countries at different levels of development including least developed countries, enabling them to adapt and apply a plurality of technologies according to market demand.

Problems addressed

4.208. In the process of industrial development, developing countries are faced with the choice of applying technologies of different levels of sophistication. The technological advances sweeping the globe have yielded several generic technologies which bear major implications for industrialization. However, awareness of those implications is lacking in most developing countries and even in those countries that are aware, there is a need to update information constantly and reassess dynamic trends.

4.209. As for technological advances, most developing countries lack a critical mass, and sometimes even a nucleus, of capabilities with the result that the application of advanced technologies to production is the exception rather than the rule. Scientists and technologists find themselves isolated from the mainstream of scientific and technological activities, while enterprises are accustomed to using existing technologies without improving their manufacturing capabilities that could otherwise cut costs and enable them to remain competitive.

4.210. The concept of appropriate technology that has been adopted by some of the countries should be reviewed in the light of the changing technological scene, but the main problem remains: application and adaptation of technologies in order to transform local resources are the key to increasing local economic activity. The innovative capacity needed to transform human and natural resources into products meeting local needs and stimulate local economic activities lies dormant in many developing countries. The concept of applying technologies that lead to sustainable development has to be popularized to a greater degree.

4.211. In the field of informatics technology, the developing countries still lag behind, particularly with regard to its application to industry. The key capabilities in this respect are the development of application software, design of applications-specific integrated circuits and improvement of telecommunications infrastructure, particularly the local manufacture of telecommunications equipment wherever possible.

4.212. In many developing countries the broad application of biotechnology requires a policy framework and the consolidation of isolated biotechnology capability-building activities, whereas in those countries where scientific capabilities have already been or are being built up, participation of the local population and the development of small-scale bio-industries assume importance.

4.213. The awareness of new materials, and particularly the concept of engineering materials to suit specific purposes, is still lacking; efforts to apply materials engineering concepts to local and raw materials have to be promoted. Countries also lack a total perspective of the role of new materials in manufacturing, product design and exports and they are unaware of the implications they bear for energy and environment. With the increasing scarcity of land-based resources, exploration and exploitation of marine resources take on particular importance and the process requires a capacity to build up technology systems, subsumed under the rubric of marine industrial technology, which will avoid pollution on the one hand and create useful and important new activities on the other. In a world increasingly concerned with sustainable development, the promotion of new and renewable sources of energy is of permanent importance. It is thus necessary for developing countries to tackle a range of problems in a coherent manner in order to consolidate their efforts and advance in the field of technology.

Objectives

4.214. The main objectives of this subprogramme are: (a) to sensitize developing countries to the importance of identification, development, innovation, adaptation, promotion and application of technologies that are appropriate to their respective needs, resources and levels of development; (b) to assist developing countries in the development and diffusion of appropriate technology as well as the proper utilization of the relevant technological services, including the strengthening of their domestic technological infrastructure and its links to industrial production, especially in the least developed countries; and (c) to promote and assist in the development of capabilities in specific generic technologies - informatics, biotechnology and genetic engineering and other newly emerging technologies - in the developing countries at the regional, subregional and national levels.

4.215. The promotion and development of informatics capabilities is aimed at strengthening developing country capabilities in the development of software and informatics-related products as well as to upgrade existing technologies and production through the application of informatics.

4.216. While continuing to promote capability building and safety procedures in biotechnology research and application, the subprogramme aims at consolidating national and subregional biotechnology programmes and at establishing new partnerships between developing countries and developed countries as well as between biotechnology institutions in developing countries and the private sector.

4.217. The new technologies component aims at building up developing country awareness of new technologies and the interrelationship between development and the industrial application of those technologies. The subprogramme also aims at assisting developing countries in creating or strengthening their own capabilities in selected new technological areas, as well as promoting international cooperation and collaboration in those areas through the establishment of international and regional centres and networking arrangements, as necessary.

Output and activities

4.218. Promotion and diffusion of technology appropriate to the developing countries needs will be part of the activities of this subprogramme. The objectives of the subprogramme in this regard will be achieved through: (a) sector- or subject-specific seminars and workshops; (b) studies and application of technologies contributory to sustainable development; (c) information on technologies proven to be applicable in other developing countries, including UNIDO-generated technologies; (d) assistance in commercialization of new and traditional technologies suited to the demands of the market place.

4.219. The subprogramme will promote blending modern and traditional technologies to obtain cost-effective appropriate technologies. Local innovation and development of technologies will be promoted through: (a) publications; (b) video-tapes; (c) exhibitions; and (d) technology fairs. It will seek to incorporate appropriate technology thinking in universities, R and D institutions, technology parks and incubators. The subprogramme will also provide advisory services on the development, application and utilization of locally developed technologies.

4.220. In the field of promoting technology support capabilities, the subprogramme will focus its activities on technology management and financing technological development, as well as on quality control and standardization.

4.221. In order to increase awareness, build up national capabilities and support regional cooperation in the field of informatics technologies, the subprogramme will pursue the promotion of networks. Implementation of the regional project in microelectronics for the Latin American and Caribbean (REMLAC) countries will continue, while initial steps will be undertaken to promote centres of excellence and a regional network in Western Asia. In order to foster the increased industrial application of informatics technologies in developing countries, activities will be directed towards supporting the establishment of microprocessor applications centres to promote local industrial applications and develop appropriate systems. Assistance will be provided to software developers aiming to enter domestic and export markets. In order to increase consumer confidence in developing country software products, advisory services will be provided based on reviews of their products in the light of international trends and standards. Monitoring developments and contributing to the diffusion of informatics across various industrial sectors will continue, as will assistance to developing countries in the formulation of their national programmes and adoption of new techniques such as informatics supported decision systems for industrial processes. The biennial meeting of the Consultative Group on Informatics Technology for Development will be convened in 1995 to review informatics activities undertaken by UNIDO in the previous biennium and to provide guidance for future action by both the Organization and the international community. Activities related to the promotion of technology transfer and local manufacture of telecommunication equipment will build on the work already carried out in Africa, Asia and the Pacific and the Latin American countries. Particular attention will be paid to the strengthening and/or promotion of testing facilities for telecommunications equipment with a view to assisting local manufacturers in meeting standardization and quality control requirements. The subprogramme will lend support to the programmes for modernizing telecommunications systems and industries in Eastern Europe and promote cooperation between those countries and the newly industrialized countries.

4.222. The activities of this subprogramme with regard to biotechnological capability building in developing countries address needs at two different levels: (a) the need to consolidate disparate biotechnology-related programmes into national programmes; and (b) the need to translate research results into practical uses, with emphasis on technology management and policy formulation. The outputs will be: (a) implementation of technical cooperation to strengthen R and D capabilities, on request, including cooperation with ICGEB as an autonomous entity; (b) provision of training in technology transfer to permit much needed marketing of research results, particularly the ability to make appropriate choices of the biotechnologies to be developed and promoted; (c) encouragement and assistance to existing and newly affiliated centres of ICGEB to become active research and development partners of the Centre and to develop into regional and/or subregional centres of excellence.

4.223. In order to contribute to the global efforts to address environmental concerns, the following activities and outputs will be implemented in the field of environmental biotechnology: (a) in-depth understanding and appreciation by the developing countries of the appropriateness of biotechnology development and applications based on the biosafety guidelines and voluntary code of conduct drawn up by UNIDO on the release of organisms into the environment; (b) projects to provide expert advice to developing countries at both the technical and policy levels; (c) at least one cooperative research and application project on oil pollutant treatment and recovery through microbial application; (d) a project to encourage and facilitate the systematic collection of microbial cultures for bioindustrial applications in cooperation with the UNEP/MIRCEN networks. In the field of marine biotechnology, a training workshop will be organized on seaweed-processing biotechnology for agar production and biopolymers. With regard to commercialization of biotechnology, experts and consultants in developing countries will be engaged to asses up to five cases of successful commercialization of research findings in and by developing countries. Activities will be undertaken to promote commercialization of lactic acid fermentation and industrial production of mushrooms. Furthermore, the subprogramme plans to expand its services in the field of bioinformatics, by providing assistance in: (a) setting up databases at newly emerging regional and subregional centres in biotechnology; and (b) developing up to five biotechnology information packages for practical application, in conjunction with the commercialization of biotechnology. Special attention will be given to the efficiency and safety aspects of planning, establishing, managing and maintaining biotechnology and genetic engineering research facilities, particularly in relation to modern genetic engineering facilities.

4.224. The new technologies component of the subprogramme will focus its activities on the areas described below.

4.225. With regard to activities related to the International Centre for Science and High Technology (ICS), projects supporting the Centre's activities will be backstopped and areas of synergy between its programmes and those of UNIDO will be identified and promoted. This will include the identification and evaluation of technological centres of excellence in the developing countries and their potential as centres affiliated with ICS.

4.226. In the field of new materials, emphasis will be on the continued promotion of the establishment of an International Materials Assessment and Application Centre and an International Centre for Materials Evaluation Technology. An expert group meeting will be organized to examine trends in advanced materials processing, evaluation and application and their impact on the socio-economic development of developing countries. This meeting will also aim at elaborating a future strategy for developing countries. Work will be undertaken to identify and promote environmentally sound and energy saving technologies related to advances in materials production and use. This will require studies analysing advances across the whole range of materials technology both in terms of improved environmental conditions for the production of materials and their utilization. With regard to energy savings, a study will be undertaken on the potential benefits to be derived from the application of superconductive materials. International technological cooperation will be promoted in the design, development, manufacturing and application of composite materials based on local resources. This will entail the preparation of studies and development of cooperative programmes among countries in Asia and Africa.

4.227. As part of its marine industrial technology programme, the subprogramme will: (a) continue its work on promoting the establishment of a Mediterranean and a Caribbean centre for marine industrial technology; (b) prepare a viability study and will undertake promotional activities related to establishing a regional centre in East Africa; (c) organize a regional expert group meeting in a selected region to promote international cooperation in the this field; (d) undertake studies on the application of new technologies relevant to the marine sector in developing countries, including marine electronics and marine materials; (e) promote a study on possible technological spin-offs from deep-sea mining technology to other marine sectors in developing countries.

4.228. In the field of advances in manufacturing technology the following activities and outputs will be implemented during the biennium: (a) an expert group meeting on advances in manufacturing technologies to examine: (a) the issues involved in manufacturing in the developing countries (b) the manner in which technological changes are changing global competitiveness and (c) the role of UNIDO in improving the capacity of the developing world to take advantage of such changes; (b) continued development and promotion of an international centre for the advancement of manufacturing technologies oriented towards the developing countries' needs related to the enhanced application of manufacturing technologies; (c) continued study of technical institutes and associations and their alternative models in relation to their role in improving the ability of developing countries to take advantage of developments in manufacturing technologies; (d) new methods of enhancing awareness and promotion of advances in manufacturing technologies, including enterprise and institutional networks. The first activity will be related to advances in printed circuit-board technology and assembly and their implications for developing country electronics industries.

4.229. With regard to new energy technologies, the subprogramme will focus on strengthening developing country awareness of the potential offered by solar energy application and efforts will be made to: (a) enhance the institutionalization of the Consultative Group on Solar Energy for Research and Application (COSERA); (b) convene a COSERA international workshop with the aim of promoting at all levels proposals or new breakthroughs in applied research into thermal and photovoltaic technologies; (c) support and implement specific projects focused on promoting, according to prevailing conditions, the marketing and commercialization of the cost-efficient utilization of solar energy systems; (d) accord high priority to the establishment of a network of Centres for the Application of Solar Energy so that the network can engage in commercialization and product development activities. The subprogramme will also continue its work on the promotion of the International Centre for Hydrogen Energy Technology. Drawing on extrabudgetary resources, work will continue on extending the Regional Network on Small Hydropower in Asia and the Pacific into an international network and the Hangzhou Regional entre into an international Centre of excellence for small hydropower.

Coordination

4.230. Based on the interdependence between nations and between nations and regions and given the need to reduce technological gaps, close coordination will be maintained within the programme and with other organizational units of UNIDO, and other organizations. The latter include national, regional and international organizations, whether governmental or non-governmental, and financial institutions such as the World Bank and regional development banks. Furthermore, increased coordination is anticipated with other United Nations agencies, particularly FAO, UNEP, UNCTAD, ILO and ITU.

Resource requirements

4.231. The responsibility for carrying out the programme of work will be assumed by Professional staff, assisted by General Service support staff assigned to the subprogramme. Consultant resources ($302,900 RB and $80,000 OB) will be needed, *inter alia*, to provide expert advice to developing, countries at both the technical and policy levels, to participate in a research and application project on oil pollutant treatment and recovery through microbial application and contribute to studies on the application of new technologies relevant to the marine sector in developing countries. Ad hoc expert group meeting resources ($120,600 RB and $48,000 OB) will be required, inter alia, to conduct a training workshop on seaweed processing biotechnology, an expert group meeting in a selected region on promoting international cooperation in marine industrial technology and a meeting to examine trends in advanced materials processing, evaluation and application and its impact on the socio-economic development of developing countries. Travel funds ($49,400 RB and $47,600 OB) will be needed to enable Professional Staff to travel to developing countries to provide advice and to attend meetings.

Resources increases/decreases

4.232. Regular budget resources show an increase of $25,100 and operational budget resources a decrease of $166,000. The regular budget increase is the net outcome of increases in ad hoc expert group meeting ($59,200), travel ($1,200) and printing funds ($1,500), and decreases in staff resources of $30,200 (on account of the redeployment of one P-2/1 post to subprogramme 442 (Technology Acquisition and Negotiation) offset by the redeployment of one General Service post from subprogramme 441 (Industrial and Technological Information)), as well as in consultant funds ($6,600). The operational budget decrease is the net effect of decreases in consultant ($147,200) and ad hoc expert group meeting funds ($44,500), offset by an increase in travel funds ($25,700).

Major Programme: 400 INDUSTRIAL PROMOTION, CONSULTATIONS AND TECHNOLOGY
Programme: 440 Technology Development and Promotion
Subprogramme: 444 Office of the Director

1994-1995 resource requirements
(In thousands of dollars, at 1993 rates)

Regular and operational budgets

	Staff								Previous
	Prof. wy/ms	GS/Other wy/ms	Cost	Consult.	Meetings	Travel	Other	Total	biennium 1992-1993
RB	4/0	6/5	833.0	20.0	0.0	15.0	0.0	868.0	876.9
OB	0/0	0/0	0.0	30.0	20.0	15.0	0.0	65.0	114.4
Total	4/0	6/5	833.0	50.0	20.0	30.0	0.0	933.0	991.3

Subprogramme description

Introduction

4.233. This subprogramme coordinates the activities of programme 400 (Technology Development and Promotion) in accordance with the overall strategy of UNIDO. It formulates innovative programmes and constantly monitors the quality and content of programmes to respond closely to the needs of the developing countries. Furthermore, necessary substantive support is given by this subprogramme to the various subprogrammes in the programme to ensure proper coordination between them.

4.234. In addition, this subprogramme deals with activities relating to technology policy and management as they cut across the various subprogrammes, and coordinates the needed mix of requisite inputs, as appropriate, on a case-by-case basis to provide coherence and effectiveness.

Problems addressed

4.235. Since technology is a key factor in socio-economic development, the global technological scene is dynamic, and because countries are at different levels of industrial and economic development, a variety of promotional measures are called for which can be applied transectorally and linked to industrial development efforts. At the national level, countries must be helped to find an optimum mix of activities to balance their multifaceted requirements in the field of technology with a measure of coherence to enable the achievement of concrete results. While there has been a phenomenal increase in the generation of industrial and technological information, many developing countries do not have the capabilities to access and utilize them in a systematic manner nor to use up-to-date techniques of information retrieval and assessment. Several developing countries still lack the capacity to acquire technologies best suited to their needs and yet others lack the capacity to generate endogenous technologies and apply them on an industrial scale.

4.236. The technological transfer and development problems of developing countries have become more complex than in the past and the capacity to manage them has to be built up in order to effect optimal technological transitions successfully. Technological advances in such fields as informatics, genetic engineering and biotechnology, new materials and marine industrial technologies have become too important in the global scene to be ignored by developing countries. Experience shows that developing countries need assistance in becoming sensitized to the potential and applications of such technologies and in developing human resource capabilities to handle the inflow of such technologies. The appropriateness of technologies is still a concept of particular relevance to developing countries. However, it needs to be promoted together with the countries in the light of the conditions prevailing in the 1990s and the increasing concern for sustainable development while facilitating the blending of modern and traditional technologies.

4.237. Promotion of awareness and capability building in new technologies requires continuous monitoring of related technological and industrial trends; it calls for the recognition of their interrelationships and impacts and the adaptation of approaches and projects to suit the conditions of countries at different levels of development. The capacity for the formulation of technology policy activities and for technology management at government, enterprise and institutional levels has become all the more essential with the increasing complexity of technological development and its application. In the changed macroeconomic context, the revitalization of R and D institutions in developing countries becomes paramount if those countries are to recoup their investments in R and D infrastructure. The formulation and management of major promotional projects, such as intercountry technological centres require close attention over a period of time to secure the cooperation of Governments and the scientific and technological community and to promote institution building.

Objectives

4.238. The main objective of the subprogramme is to supervise and provide general policy guidance for the component subprogrammes. Besides this coordinating role, the subprogramme will seek to attain certain operational objectives: (a) formulate and manage programmes to promote the development and promotion of technology, including new technologies, with special attention on focused and coherent measures, and cooperation and networking within and without UNIDO; and (b) assist developing countries to formulate and implement technology policies and technology management measures, which are both internally consistent and interact with industrial policies and activities.

Output and activities

4.239. The activities and outputs planned to be implemented during the biennium 1994-1995 are as follows: (a) programme formulation and management; (b) overall direction and leadership relating to major interdisciplinary promotional projects; (c) identification and formulation of programmes for new technological areas in accordance with their relevance and potential to developing countries at different levels of development; (d) preparation of reports to the Industrial Development Board on the implementation of the programme outlined in IDB.3/26 and decisions of the General Conference and the Industrial Development Board; (e) provision of technology-related inputs to the medium-term plan; (f) cooperation with international organizations, including agencies in the United Nations system and coordination of participation in the ACC Task Force on Science and Technology for Development; (g) provision of assistance to developing countries in the formulation of policies and programmes for technology development and transfer and the integration of those programmes into their overall industrial policies and programmes; (h) development, promotion and implementation of programmes and projects related to technology management in cooperation with appropriate units in the Secretariat; (i) identification, in terms of technology policy and management, of priority areas for group training programmes, identification of suitable institutions and other training opportunities, preparation of individual and group training programmes with host training institutions and monitoring of their implementation.

Coordination

4.240. To realize the objectives of the programme as a whole, close linkages will be established and maintained with the activities of the various units at Headquarters and in the field, as well as with those of relevant United Nations and other regional and international organizations, in particular the ACC Task Force on Science and Technology.

Resource requirements

4.241. Responsibility for programme formulation, output management and coordination of the programme will be assumed by the Professional staff, assisted by General Service support staff. In addition to staff resources, funds amounting to $50,000 are foreseen for consultants in the formulation of policies and programmes for technology development and transfer and the integration of those programmes into overall industrial policies and programmes. An amount of $30,000 in travel funds will be utilized for travel to meetings and seminars or for missions to be carried out by the Division Director. Ad hoc expert group meetings are estimated to cost $20,000 during 1994-1995. The subprogramme also administers general temporary assistance resources ($14,200) and overtime resources ($2,200) for the programme as a whole, which have been included in staff resources.

Resource increases/decreases

4.242. Regular budget resources show a decrease of $8,900 and operational budget resources a decrease of $49,400. The regular budget decrease is the net effect of increasing consultant ($20,000) and travel funds ($200) and decreasing general temporary assistance ($12,600) and ad hoc expert group meetings ($16,500). The operational budget decrease is due to variations in the following resources: an increase in ad hoc expert group meetings ($20,000) and decreases in consultant ($55,300) and travel funds ($14,100).

Major Programme: 500 INDUSTRIAL OPERATIONS

1994-1995 resource requirements

(In thousands of dollars, at 1993 rates)

Regular and operational budgets

	Staff Prof. wy/ms	Staff GS/Other wy/ms	Cost	Consult.	Meetings	Travel	Other	Total	Previous biennium 1992-1993
RB	216/0	162/8	30,882.1	365.6	159.9	663.0	1,610.6	33,681.2	33,562.4
OB	34/0	176/0	12,626.4	0.0	0.0	47.5	638.7	13,312.6	16,967.3
Total	250/0	338/8	43,508.5	365.6	159.9	710.5	2,249.3	46,993.8	50,529.7

By programme

	Staff Prof. wy/ms	Staff GS/Other wy/ms	Cost	Consult.	Meetings	Travel	Other	Total	Previous biennium 1992-1993
510 Office of the Deputy Director-General	22/0	26/7	3,944.2	0.0	0.0	232.5	2,091.8	6,268.5	6,844.2
520 Industrial Operations Technology	112/0	115/6	17,438.3	187.9	79.9	283.3	40.8	18,030.2	18,695.3
530 Industrial Institutions and Services	74/0	56/4	10,456.9	100.7	28.0	120.2	42.5	10,748.3	12,188.7
540 Industrial Operations Support	42/0	140/3	11,669.1	77.0	52.0	74.5	74.2	11,946.8	12,801.5
Total	250/0	338/8	43,508.5	365.6	159.9	710.5	2,249.3	46,993.8	50,529.7

Major programme description

Composition

5.1. The major programme Industrial Operations consists of four programmes: Office of the Deputy Director-General (510); Industrial Operations Technology (520); Industrial Institutions and Services (530); and Industrial Operations Support (540). The functions and responsibilities of the major programme are described in the Director-General's Bulletins on the reorganization of the Secretariat of UNIDO (UNIDO/DG/B.26 and Add.1, 58, 61, 67, 112, 113, 115 and 156).

Basic aims

5.2. The main thrust of the major programme is directed towards providing technical services in support of the Organization's operational activities within the framework of the objectives and guidelines of the medium-term plan and in response to changing global circumstances as well as the emerging needs of developing countries. The major programme will place primary emphasis on the provision of three types of services: (a) the provision of technical services to UNDP funded development cooperation programmes and projects (reflecting TSS-2 and AOS types of activities); (b) the implementation of integral programmes and projects assigned to UNIDO by all budgetary and extrabudgetary sources of finance for development cooperation; and (c) the provision of technical support to "upstream" programming activities (such as the formulation of UNIDO country strategies or TSS-1 studies) or to subsectoral or thematic policy studies. The assistance which the developing countries will receive will cover the following main areas: the efficient operation, management, maintenance and rehabilitation of industry; the development of the institutional infrastructure necessary for industrialization; the development of human resources; and the deployment of technical cooperation project experts as a basis for further industrialization.

Interlinkage

5.3 The Industrial Operations Technology programme (520) constitutes the subsectoral technical component of the major programme, whereas the Industrial Institutions and Services programme (530) deals with industry-wide strategy and policy, infrastructural and management concerns. The Industrial Operations Support programme (540) provides operational and logistical complementarity to the first two programmes in the fields of human resource development and the recruitment of technical cooperation programme personnel. All these programmes rely on the Office of the Deputy Director-General (510) for policy guidance, resource management, activities reporting and monitoring, and advice on the development and provision of technical activities and services.

Major Programme: 500 INDUSTRIAL OPERATIONS
Programme: 510 Office of the Deputy Director-General

1994-1995 resource requirements
(In thousands of dollars, at 1993 rates)

Regular and operational budgets

	Staff Prof. wy/ms	Staff GS/Other wy/ms	Cost	Consult.	Meetings	Travel	Other	Total	Previous biennium 1992-1993
RB	20/0	26/7	3,772.0	0.0	0.0	232.5	1,453.1	5,457.6	5,505.0
OB	2/0	0/0	172.2	0.0	0.0	0.0	638.7	810.9	1,339.2
Total	22/0	26/7	3,944.2	0.0	0.0	232.5	2,091.8	6,268.5	6,844.2

By subprogramme

	Staff Prof. wy/ms	Staff GS/Other wy/ms	Cost	Consult.	Meetings	Travel	Other	Total	Previous biennium 1992-1993
511 Interregional Advisers	12/0	4/0	1,629.2	0.0	0.0	170.0	0.0	1,799.2	2,013.9
512 Integrated Projects and Central Monitoring	8/0	14/0	1,566.2	0.0	0.0	15.4	0.0	1,581.6	1,851.7
513 Direction and management	2/0	8/7	748.8	0.0	0.0	47.1	2,091.8	2,887.7	2,978.6
Total	22/0	26/7	3,944.2	0.0	0.0	232.5	2,091.8	6,268.5	6,844.2

Programme description

Development objectives

5.4. The programme is responsible for the management of the major programme, Industrial Operations, in support of the overall objective of assisting developing countries in the acceleration of their industrial development and in promoting cooperation at global, regional, national as well as at sectoral levels. It provides overall guidance and direction to the activities of the three programmes: Industrial Operations Technology (520); Industrial Institutions and Services (530); and Industrial Operations Support (540). In doing so, it ensures that new programme thrusts and shifts in the nature of technical services provided by the Organization are properly reflected in the activities of the major programme. It is responsible for effective coordination and cooperation between the component programmes and between those and other programmes in the Organization.

Relationship to medium-term plan priorities

5.5. Close interlinkage exists between the development objective and the medium-term plan priorities. The major programme cuts across all five priority problem areas (human resource development, development and transfer of technology, industrial rehabilitation, small- and medium-scale industry and environment and energy) and the three elements common to industrial development, including the thematic programmes (mobilization of financial resources for industrial development, economic cooperation among developing countries and integration of women in industrial development) identified in the medium-term plan. It is the responsibility of this programme to establish policy guidelines and procedures within major programme 500 on how to respond to the programme priorities while ensuring the delivery of appropriate technical services to industry.

New features

5.6. In managing the major programme, the programme will focus on the need to rely to a greater degree on in-house expertise in the provision of technical advisory services to Governments and UNDP, while continuing to provide project management and administration services mainly for non-UNDP funded projects. This will require greater prioritization of the major programme's activities and the increasingly efficient use of its resources, since its work will be more knowledge-based, as opposed to conventional administrative functions in support of technical cooperation. The need for effective management will be all the more acute owing to the resource constraints imposed by a reduced operational budget.

5.7. Within the programme, the Section for Integrated Industrial Projects has been merged with the Central Monitoring Unit to form subprogramme 512, Integrated Projects and Central Monitoring. Apart from budgetary savings, the merger is aimed at strengthening the analytical capacity of the programme in monitoring the operational activities of the Department.

Variation over the previous biennium

5.8. The programme will manage the activities of the Department of Industrial Operations in the context of greatly reduced operational budget resources and the increased importance of technical support services to operational activities in the range of services provided by the Organization. The merger of the Section for Integrated Industrial Projects and the Central Monitoring Unit will enable the programme to carry out its tasks on a more cost-effective basis. Overall, the programme's resources have been reduced by $47,400 under the regular budget and by $528,300 under the operational budget. Details of these and other resource variations are given at the subprogramme level.

Major Programme: 500 INDUSTRIAL OPERATIONS
Programme: 510 Office of the Deputy Director-General
Subprogramme: 511 Interregional Advisers

1994-1995 resource requirements
(In thousands of dollars, at 1993 rates)

Regular and operational budgets

	Staff Prof. wy/ms	Staff GS/Other wy/ms	Cost	Consult.	Meetings	Travel	Other	Total	Previous biennium 1992-1993
RB	12/0	4/0	1,629.2	0.0	0.0	170.0	0.0	1,799.2	1,941.7
OB	0/0	0/0	0.0	0.0	0.0	0.0	0.0	0.0	72.2
Total	12/0	4/0	1,629.2	0.0	0.0	170.0	0.0	1,799.2	2,013.9

Subprogramme description

Introduction

5.9. In accordance with Annex II of the UNIDO Constitution, provision of interregional advisers are an integral part of the activities to be funded from the regular budget. The overall objective of interregional advisers is to promote and accelerate industrial development in the developing countries through technical cooperation activities related to the development and transfer of industrial technology, a priority in the medium-term plan. The interregional advisers complement the presence of UNIDO in the field as they directly assist the developing countries in solving urgent problems and provide advice on development programmes and projects, thereby constituting an essential technical link between Headquarters and the field.

Problems addressed

5.10. Many developing countries face problems at the plant, institutional or policy level that require prompt solution. The problems might relate to: product diversification, expansion, design and development; repair and maintenance; common technical services; spare parts manufacture; choice and adaptation of industrial technology; plant rehabilitation and/or modernization; energy saving; environmental protection and pollution control; process planning; equipment and machinery maintenance and utilization; reduction of idle capacity; rapid adjustment to technological trends; introduction of computers in industry; market development; testing and quality control; and cost reduction in specific industrial sectors. An emerging need in some countries is the conversion from military to civilian uses of industrial technology. The diversity of the problems invariably demands swift, on-the-spot advice and immediate solutions are often sought. In many instances developing countries also require assistance in the design and implementation of technical cooperation activities, especially when seeking to improve programme and project quality.

Objectives

5.11. The subprogramme aims at providing back-up technical support to the technical cooperation needs of the developing countries, developing UNIDO programmes and projects in response to those needs, and providing technical support in the field and to UNIDO headquarters staff in the implementation of those activities.

Output and activities

5.12. At the request of Resident Representatives, UNIDO Country Directors, chief technical advisers in the field or senior staff at Headquarters, interregional advisers render direct technical cooperation to developing countries. In their capacity as experts based at Headquarters, they provide technical advisory and trouble-shooting services in the field at short notice, thus obviating the lengthy recruitment procedures associated with the deployment of external experts. In discharging their advisory function, they deliver technical support services at the programme and project level in the context of the UNDP successor arrangements (TSS-1 and TSS-2).

5.13. At Headquarters, they assist technical cooperation staff in the preparation of new concepts, as well as in the design and formulation of projects. They contribute to promotional activities as well as to regional, country and sectoral studies, and take part in investment promotion and funds mobilization activities. On request, they also contribute to expert group meetings, seminars and workshops as well as Consultation meetings and meetings organized by other United Nations organizations, professional associations or outside institutions within their areas of expertise.

5.14. As a first priority, interregional advisers provide technical consultancy services, respond to urgent requests from Governments for advice, assist Governments in the identification, design and formulation of new projects and participate in the monitoring of ongoing projects, tripartite reviews and in-depth evaluation missions. Additionally, they assist and advise Governments and funding organizations on complex multidisciplinary projects; they contribute to developing new and innovative approaches to technical cooperation problems; and they help promote technical cooperation among developing countries (TCDC).

Coordination

5.15. Under the general supervision of the Deputy Director-General heading the major programme, the interregional advisers collaborate closely with programmes and subprogrammes throughout the Organization, specifically programme 330, Area Programmes, subprogramme 342, Regional and Country Studies, subprogramme 343, Industrial Statistics and Sectoral Surveys, programme 420, Industrial Investment, programme 350, Industrial Cooperation and Funds Mobilization and programme 430, System of Consultations. Close liaison is also maintained with UNDP offices, UNIDO Country Directors and experts in the field, as well as with other United Nations organizations such as ECA, ESCAP, ECLAC, UNEP, FAO, UNESCO, WHO and the World Bank.

Resource requirements

5.16. The activities described above are undertaken by the interregional advisers themselves. The upgrading of one Senior Technical Adviser to Senior Interregional Adviser level is required to provide high-level advice based on proven industrial, technical, managerial and commercial experience to Governments and private industry. Travel resources ($170,000) are also required to enable the interregional advisers to undertake technical advisory and project support missions, as well as participate in industrial review and advisory missions and take part in specialized industrial fairs and other forums.

Resource increases/decreases

5.17. The regular budget shows a decrease of $142,500 and the operational budget a decrease of $72,200. The regular budget decrease is related to the redeployment of one General Service post ($103,600) to subprogramme 512, Integrated Projects and Central Monitoring, and a decrease in travel ($48,100) that has been partially offset by upgrading one P-5 post to D-1 ($9,200). The operational budget resource decrease relates to a decrease in travel resources ($72,200). The total resource decrease under this subprogramme amounts to $214,700.

Major Programme: 500 INDUSTRIAL OPERATIONS
Programme: 510 Office of the Deputy Director-General
Subprogramme: 512 Integrated Projects and Central Monitoring

1994-1995 resource requirements
(In thousands of dollars, at 1993 rates)

Regular and operational budgets

	Staff Prof. wy/ms	Staff GS/Other wy/ms	Cost	Consult.	Meetings	Travel	Other	Total	Previous biennium 1992-1993
RB	6/0	14/0	1,394.0	0.0	0.0	15.4	0.0	1,409.4	1,365.7
OB	2/0	0/0	172.2	0.0	0.0	0.0	0.0	172.2	486.0
Total	8/0	14/0	1,566.2	0.0	0.0	15.4	0.0	1,581.6	1,851.7

Subprogramme description

Introduction

5.18. The subprogramme assists the Deputy Director-General in monitoring the design, formulation and implementation of those operational activities which fall under the specific responsibility of the major programme. Special emphasis is placed on the coordination of integrated, multidisciplinary or multisectoral activities that need the involvement of several subprogrammes in the Organization. Within major programme 500, it coordinates environment- and energy-related activities, as well as the implementation of the strategic automation plan of UNIDO. The subprogramme serves as focal point within the major programme for matters relating to the UNDP successor arrangements. The subprogramme also coordinates the preparation of substantive documentation relating to the activities of the major programme as well as to the Organization's technical cooperation programmes and projects for the policy-making organs of UNIDO and other bodies of the United Nations system.

Problems addressed

5.19. Over the past years, the environment in which UNIDO delivers its technical cooperation programmes and projects has significantly changed. This holds true particularly for the tripartite system of cooperation between Governments, UNDP and UNIDO. Additionally, an increase in the sophistication and complexity of programmes and projects has been witnessed. These challenges as well as the growing importance of energy- and environment-related considerations in project planning call for a steady improvement in the quality of coordinated responses at the major programme level. They also require interdivisional and interdepartmental cooperation.

Objectives

5.20. The objective of the subprogramme is to assist the Deputy Director-General and the executive management in ensuring an effective and coordinated response of the major programme to the specific industrial needs of developing countries, particularly in light of new trends and changes relating to the modalities for executing and implementing technical cooperation.

Output and activities

5.21. In monitoring the major programme's input to the design and formulation of technical cooperation activities, the subprogramme advises the management of major programme 500 on the optimum utilization of its capacity and resources with regard to activities undertaken and the demands placed on the major programme.

5.22. The subprogramme identifies those activities which require an integrated, interdivisional approach and advises on the possible composition of teams to be involved in their development and implementation. The subprogramme advises the staff of the major programme on both administrative and operational issues regarding the UNDP successor arrangements.

5.23. In monitoring the progress of project activities and funds disbursement of the major programme, the subprogramme prepares progress reports, statistical tables and other substantive documentation for the senior management of the Department, for the management of the Organization and for the policy-making organs. The subprogramme also continuously monitors and periodically reports on the human and financial resources of the major programme. To help ensure effective coordination among the component programmes of the major programme, the subprogramme reviews, analyses and disseminates environment- and energy-related information of relevance to the major programme's work; it also provides recommendations on the Department's participation in relevant international meetings and advises management on assigning environment- and energy-related activities and projects within the major programme. Finally, the subprogramme facilitates the implementation of the Organization's strategic automation plan by participating in project teams as user representatives for the development of information systems for the major programme as a whole.

Coordination

5.24. By virtue of its functions, the subprogramme maintains close links with a great number of subprogrammes throughout the Organization. As the focal point for coordination of technical cooperation activities including UNDP successor arrangements within the major programme, the subprogramme maintains dialogue with subprogramme 216, Strategy, Policy and Planning, all major programmes as well as programmes and subprogrammes within the Department of Industrial Operations. Given its involvement with environmental matters, the subprogramme works closely with subprogramme 324, Environment Coordination, and with those subprogrammes of the major programme which have a strong environment or energy component in their activities, e.g. subprogrammes 522, Chemical Industries, 531, Industrial Strategies and Policies, and 533, Industrial Management and Rehabilitation. It also maintains close liaison with programme 850, Management Information Services, regarding the implementation of the strategic automation plan of the Organization. In discharging its monitoring and reporting duties, the subprogramme cooperates with programme 830, Financial Services.

Resource requirements

5.25. Responsibility for coordinating and producing the output and activities is assumed by the staff attached to the subprogramme which has undergone some reconfiguration. One principal level General Service post under the regular budget and one General Service post in the operational budget have been abolished as a result of increased efficiency and the changed work patterns of the subprogramme. This was made possible by merging of two former units (Section for Integrated Industrial Projects and Central Reference and Monitoring Unit) during the previous biennium. Travel resources ($15,400) are required for technical cooperation purposes not covered by project budgets as well as for participation in meetings and specialized conferences so as to enable the staff of the subprogramme to keep abreast of developments in the field.

Resource increases/decreases

5.26. The regular budget shows an increase of $43,700 and the operational budget a decrease of $313,800. The regular budget increase is related to redeploying one General Service post ($103,600) from subprogramme 511 and converting two General Service posts from the operational to the regular budget ($207,200), that has been offset by one principal-level General Service post ($168,400) and redeploying one General Service post ($103,600) to subprogramme 541, Industrial Human Resource Development, as well as by reducing overtime ($1,400) to zero, and increasing travel resources ($6,300). The operational budget decrease relates to the abolition of one General Service post ($103,600) and the conversion of two General Service posts ($207,200) to the regular budget, as well as to a reduction in travel resources ($3,000) to zero. The total resource decrease under this subprogramme amounts to $270,100.

Major Programme: 500 INDUSTRIAL OPERATIONS
Programme: 510 Office of the Deputy Director-General
Subprogramme: 513 Direction and Management

1994-1995 resource requirements
(In thousands of dollars, at 1993 rates)

Regular and operational budgets

	Staff								
	Prof. wy/ms	GS/Other wy/ms	Cost	Consult.	Meetings	Travel	Other	Total	Previous biennium 1992-1993
RB	2/0	8/7	748.8	0.0	0.0	47.1	1,453.1	2,249.0	2,197.6
OB	0/0	0/0	0.0	0.0	0.0	0.0	638.7	638.7	781.0
Total	2/0	8/7	748.8	0.0	0.0	47.1	2,091.8	2,887.7	2,978.6

Subprogramme description

Introduction

5.27. As suggested by its title, the subprogramme is responsible for the direction and management of the major programme. It also supervises the three component programmes, as well as the two subprogrammes that make up the Office of the Deputy Director-General: Interregional Advisers (511) and Integrated Projects and Central Monitoring (512).

5.28. In addition, the subprogramme ensures efficient management of the major programme in terms of adherence to procedures, rules and regulations, management of staff resources, control of expenditure on budgeted funds, and timely implementation of technical cooperation and support activities.

Problems addressed

5.29. The main problem confronting the subprogramme is that of ensuring the smooth and effective operation of the major programme within the context of reduced resources. It also faces the problem of ensuring the efficient delivery of development services in an ever-changing environment characterized by greater competition between agencies and organizations involved in development cooperation and increased demand for qualitatively improved and increasingly specialized technical services. Consequently, the subprogramme must ensure that technical services are provided in a timely manner and at the required level of quality.

Objectives

5.30. The objective of the subprogramme is to ensure the effective management of the technical cooperation activities of the major programme, and their effective coordination and integration in keeping with the objectives of the Organization, while ensuring the effective contribution of the two adjunct subprogrammes to those objectives. It also seeks to identify new areas of technical cooperation for incorporation into the activities of the major programme.

Output and activities

5.31. The subprogramme provides policy guidance and assigns human and financial resources within the major programme in accordance with the developing countries' needs and the Organization's priorities. It coordinates programme planning for the Department as a whole on the basis of the analysis of changing trends and patterns of demand for the services delivered by the major programme. It also manages the daily work of the major programme, identifies issues and formulates procedures for the improved management of technical cooperation and other activities undertaken by the major programme. The subprogramme also represents the major programme at high-level meetings at the executive level within the Organization, in the United Nations system and between UNIDO and external organizations.

ination

In addition to ensuring close coordination with the two other subprogrammes in the programme, both ich contribute to enhancing the delivery of services in support of operational activities, the ogramme maintains close liaison with all the programmes and subprogrammes in major programme 500 and other major programmes, in particular major programme 200, General Management, and 300, Programme and ct Development, in order to ensure an effective response to the developmental needs of the developing ries.

rce requirements

Responsibility for coordinating and producing the output and activities will be assumed by the staff ned to the subprogramme. One regular budget General Service post has been redeployed to ogramme 541 and one operational budget General Service post converted to a regular budget post. rces are also required to fund travel ($47,100) of the staff representing the Organization and the programme at policy-level meetings and to undertake missions connected with the technical ration activities of the Organization. Other requirements include temporary assistance ($15,000) to with unforeseen peaks in workload, overtime ($10,000), hospitality ($15,300) and printing ($11,800). al amount of $2,064,700 for EDP non-staff costs has been allocated to this subprogramme for the ium. These resources will be utilized by various programmes and subprogrammes under major programme

rce increases/decreases

The regular budget shows an increase of $51,400 and the operational budget a decrease of $142,300. egular budget increase relates to the redeployment of one General Service post ($103,600) to ogramme 541, Industrial Human Resource Development, which is offset by a conversion of one General ce post from the operational budget, an increase in EDP non-staff costs ($82,800) and overtime rements ($9,600). These latter increases have been offset by decreases in general temporary tance ($15,600), travel ($23,400) and printing ($2,000). The operational budget decrease relates to ransfer of one General Service post ($103,600) to the regular budget, and a decrease in overtime 200) and travel ($23,400) to zero, as well as a reduction in EDP non-staff costs ($3,100). The total rce decrease under this subprogramme amounts to $90,900.

Major Programme: 500 INDUSTRIAL OPERATIONS
Programme: 520 Industrial Operations Technology

1994-1995 resource requirements
(In thousands of dollars, at 1993 rates)

ar and operational budgets

	Staff Prof. wy/ms	GS/Other wy/ms	Cost	Consult.	Meetings	Travel	Other	Total	Previous biennium 1992-1993
	102/0	71/6	14,183.5	187.9	79.9	237.8	40.8	14,729.9	14,001.2
	10/0	44/0	3,254.8	0.0	0.0	45.5	0.0	3,300.3	4,694.1
	112/0	115/6	17,438.3	187.9	79.9	283.3	40.8	18,030.2	18,695.3

ubprogramme

	Staff Prof. wy/ms	GS/Other wy/ms	Cost	Consult.	Meetings	Travel	Other	Total	Previous biennium 1992-1993
-based Industries	24/0	26/0	3,793.8	25.0	0.0	25.6	0.0	3,844.4	3,393.8
ical Industries	40/0	42/0	6,187.2	90.1	42.9	50.0	0.0	6,370.2	6,832.6
llurgical Industries	20/0	16/0	2,941.4	27.8	0.0	30.0	0.0	2,999.2	3,247.6
eering Industries	22/0	20/0	3,310.8	45.0	37.0	35.8	0.0	3,428.6	3,698.4
ce of the Director	6/0	11/6	1,205.1	0.0	0.0	141.9	40.8	1,387.8	1,522.9
l	112/0	115/6	17,438.3	187.9	79.9	283.3	40.8	18,030.2	18,695.3

Programme description

Development objectives

5.35. As the subsectorally specialized technical component of the major programme, the programme endeavours to improve self-sufficiency and sustain industrial development in developing countries through the development, choice, adaptation and transfer of know-how and technology in the agro-based (subprogramme 521), chemical (subprogramme 522), metallurgical (subprogramme 523) and engineering (subprogramme 524) industries. Particular emphasis is placed on the valorization of domestic natural resources; the rehabilitation and improved capacity-utilization of existing industries; the improvement of products and processes with a view to enhancing exports of manufactures; the supply and production of fossil fuel-based energy; the generation of energy from new and renewable sources; conservation of energy; and mitigating the adverse environmental impact of the industrial sector in order to meet international policy objectives for environmental protection.

Relationship to medium-term plan priorities

5.36. The activities of the programme have a bearing on four of the five medium-term plan priorities. Most of the programme's implementation of operational activities are related to the development and transfer of technology. A sizeable part of the activities involve the adaption of technologies so as to make them appropriate to small- and medium-scale industries. With the adoption of Agenda 21 by UNCED, the priorities of environment and energy conservation take on increased importance through support to the development and transfer of environmentally friendly or "clean" technology and through assistance to energy conservation measures in industry. A considerable amount of the programme's work is devoted to industrial rehabilitation, particularly in the African context. While human resources development is an integral part of all the programme's activities, it takes on particular importance in the programme's capacity building for applied research and development. Among the themes identified in the medium-term plan, the programme devotes particular attention to the integration of women in development by identifying, developing and implementing programmes and projects which have an impact on women's participation in industry, especially in the agro-industrial subsector.

New features

5.37. The evolution of the programme is not so much quantitative as qualitative. The discussion on institutional reform within the United Nations system has emphasized the need for technically specialized agencies to shift from administrative to knowledge-based functions. The programme will therefore endeavour to meet this need by shifting its emphasis from administering technical cooperation projects to providing direct technical advice on the implementation of operational activities to Governments, funding agencies and to industry itself. Increasingly, the staff of the programme will be deployed in cross-organizational programme and project-support teams, with the intention of providing holistic techno-economic solutions to the problems faced by developing countries. A point of emphasis in this approach will be the effort to link technical cooperation with the Organization's activities in the field of industrial investment and the provision of technological information services. The results of these changes will be reflected in the new nature of services offered by the programme. These services will be of three essential types: (a) providing technical support funded by the TSS-2 and AOS facility of UNDP to nationally executed development cooperation programmes and projects; (b) implementing integral programmes and projects assigned or subcontracted to UNIDO from such funding sources as IPF, IDF, SF, TF, Global Environmental Facility and the Interim Fund for the Implementation of the Montreal Protocol; and (c) providing subsectorally specialized technical inputs to "upstream" programming activities at the level of individual industrial branches, subsectors or for the industry sector as a whole. These latter programming activities will be funded through such sources as the regular budget of UNIDO, IDF and the TSS-1 facility of UNDP. Such inputs will contribute to the formulation of the Organization's country strategies or assistance to Governments or funding agencies in the formulation of development cooperation programmes and projects.

5.38. At another level, changing the requirements of industry will require the subprogramme to strengthen its efforts towards providing assistance in such specific environment-related fields as the substitution of CFCs and greenhouse gases; treatment and handling of toxic wastes; treatment and handling of toxic substances and wastes; and the treatment and prevention of industrial pollution of water supplies. In the field of new technologies, the programme will enhance its work in the fields of: biotechnology and its industrial applications; of the industrial application of advanced ceramics and synthetic fibres; and the use of computers in industrial processes. Finally, in the field of energy, both the issue of promoting new and renewable sources of energy and the improved generation of fossil fuel-based energy will be areas of concentration.

5.39. These new features will require the programme to engage in a constant endeavour to sharpen its technical skills and its command of the latest technological and subsectoral developments.

Variation over the previous biennium

5.40. The above-mentioned evolutions dictate a knowledge- and labour-intensive mode of operation for the subprogrammes. Whereas these changes would require the increase of resources, constraints primarily in the operational budget have resulted in the net loss of two Professional posts and one General Service post as well as the reduction of travel resources by $172,700 over the previous biennium. The programme will endeavour to overcome this by three means: first, by focusing on certain priorities such as improved productivity and product quality, industrial energy efficiency, environmental protection and the safe use of technology; secondly, by enhancing the know-how of existing staff, for which the consultant funds will be deployed; and thirdly, by using extrabudgetary travel resources in tandem with budgeted funds in order to establish and consolidate contacts with target beneficiaries.

Major Programme: 500 INDUSTRIAL OPERATIONS
Programme: 520 Indurtrial Operations Technology
Subprogramme: 521 Agro-based Industries

1994-1995 resource requirements
(In thousands of dollars, at 1993 rates)

Regular and operational budgets

	Staff Prof. wy/ms	GS/Other wy/ms	Cost	Consult.	Meetings	Travel	Other	Total	Previous biennium 1992-1993
RB	22/0	20/0	3,310.8	25.0	0.0	25.6	0.0	3,361.4	2,722.1
OB	2/0	6/0	483.0	0.0	0.0	0.0	0.0	483.0	671.7
Total	24/0	26/0	3,793.8	25.0	0.0	25.6	0.0	3,844.4	3,393.8

Subprogramme description

Introduction

5.41. On average, agro-food industries account for about 34 per cent of manufacturing value-added in developing countries. This percentage can be substantially higher in some developing countries, where food self-sufficiency remains the key objective of development strategies. The subprogramme covers five branches of the agro-industry subsector: agriculture-based food industry (21 per cent of the subprogramme's resources); animal-based food industry (11 per cent of resources); textiles and garments industry (21 per cent of resources); the leather, leather products and rubber products industry (26 per cent of resources); and the wood products and wood processing industry (21 per cent of resources).

5.42. Agriculture-based industrial branches encompass basic food industries required for the conversion of agricultural products into food (sugar, cereals, vegetable oils, etc.), the food preservation and conservation industry (drying, canning, freezing, etc.) and the production and application of food additives. Animal-based food industries encompass slaughterhouses, processed fish and meat and dairy products. The textile and garment industry sector covers the processing of all natural and man-made fibres into fabrics and garments. The leather and leather products industry encompasses the collection of hides and skins, their processing into leather, and the manufacture of footwear and leather goods. An adjunct to this last component is the fabrication of rubber products from natural rubber. The wood and wood processing industry mainly comprises the furniture, joinery and timber construction industries.

Problems addressed

5.43. In the agriculture-based food industry, the developing countries face the challenge of attaining self-sufficiency, improved competitiveness and environmental sustainability. There is a growing need for the development and adaptation of technology to suit the needs of small-scale industry in order to achieve the largest possible impact on rural and social development. The adaptation and application of internationally accepted food standards, combined with product quality and production process controls, are essential to the improvement of medium-scale agro-food industries. Large-scale agro-food industries need the balanced integration of related production systems so as to utilize efficiently intermediate products and by-products as secondary raw materials in the production of higher manufacturing value-added products for local and export markets. The improvement of the quality of processed foods, product standardization and environmental protection thus form a set of complementary problems that have to be addressed.

5.44. The animal-based food industries need to upgrade processing and packaging technologies which are sometimes obsolete or do not use local resources. The industry needs to develop on a basis which protects the environment and ensures conservation of livestock resources. The by-products of the dairy industry need to be used fully for the many valuable and nutritious products that could be produced. Similarly, the rich protein wastes from slaughtering need to be transformed by the meat industry into usable products. In the fish industry, modern cold storage, conservation and distribution technologies should be adopted since traditional preservation and packaging technologies hamper the diversification of fish products and export of fresh seafood and pelagics. Furthermore, owing to inadequate preservation facilities, non-coastal markets are often denied this high protein food. As with the meat industry, protein-rich wastes are underutilized at present.

5.45. In the leather and leather products industry inadequate hide and skins preservation, collection, grading and classification methods remain very important concerns in developing countries along with the need to increase their involvement in the manufacture of downstream products with higher manufacturing value-added. This branch of industry, which is mainly composed of small- and medium-scale enterprises, requires assistance in adopting and/or developing more efficient, environmentally sound technologies and in better understanding consumer needs and fashion trends. Thus, the problems to be addressed are those of: raw materials improvement; management and transfer of more efficient and cleaner technologies; greater responsiveness to market and fashion trends; the utilization of wastes as by-products; the restructuring and rehabilitation of existing manufacturing facilities; and the introduction of effluent treatment plants; as well as phasing out of the use of harmful/banned chemicals in the tanning process.

5.46. The textile and garment subsector displays two challenges for the developing countries. First, in order to maintain their competitive position, those countries need to continue to modernize the subsector along the lines adopted by industrialized countries, since the latest technological trends in the subsector no longer favour labour-intensive and low-labour cost producers. Secondly, in order to maximize their returns from the subsector, developing countries need to move downstream into the textile processing and garment industries. This results in a shift in emphasis from spinning, knitting and weaving to wet-processing (dyeing and finishing), designing and garment manufacture. The problems to be addressed in the changing structure of this industry, therefore, are the need to ensure the optimal choice of technology, the optimization of production processes in downstream manufacture, and the reduction of the adverse environmental impact of wet-processing of textiles.

5.47. In the wood sector, the United Nations Conference on Environment and Development dramatically increased global awareness of the need to conserve forest areas. While this global imperative is necessary for ecological reasons, it must be recognized that forestry and wood processing is a labour-intensive industry which uses a renewable natural resource as its raw material, over which many developing countries enjoy a de facto monopoly. The central concern confronting this industry is the attainment of a rational pattern of primary and secondary processing of wood, balancing the need for conservation of forest resources with the need to valorize the natural resources possessed by developing countries. Several problems arise as a result of this concern: these include the artisanal level of production, resulting in the inefficient utilization or non-use of timber owing to poor or no knowledge of its uses, particularly in construction; poor technical knowledge of the potential, and hence underutilization, of lesser known species of wood; a lack of trained manpower, especially technical and supervisory personnel who could optimize production processes in order to minimize and utilize wastes; inadequacy in the design of plants and their operations; and a weak capacity for product development for both domestic and export markets.

Objectives

5.48. The aforementioned problems suggest four objectives which guide the subprogramme's work. First is the need to develop agro-industrial production systems in a manner which balances the demand for raw materials with the need for their improvement and conservation. Second is the need to upgrade technology continuously in relation to changes in patterns of global competition and the demands of both domestic and export markets. Third is the need to enhance productivity through such measures as the diversification of the raw material base, minimization of waste and the increased utilization of by-products, enterprise restructuring and rehabilitation, and improved efficiency in managing production and preservation processes. Fourth is the need to reduce the adverse environmental impact of agro-industries through the adoption of cleaner technologies and processes and the treatment of all types of polluting emissions. These objectives will be attained through the subprogramme's range of advisory services, the development and implementation of technical cooperation programmes and projects and the provision of technical analyses on issues related to the concerns just outlined.

Output and activities

5.49. Within the context of UNIDO country strategies, the subprogramme will address Governments on issues concerning subsector- or branch-specific development policies, and such issues as environmental standards and norms. It will address industry associations and institutions on such issues as technology options, training and quality standards, while it will address individual enterprises or groups of enterprises on issues connected with industrial rehabilitation or restructuring, the improvement of productivity and product quality, the adoption of cleaner technologies and the treatment of polluting emissions. The specific industry-branch level outputs and activities are described below.

5.50. For the agriculture-based food industries, support will be provided both at the institutional and enterprise levels. At the first level, the subprogramme will concentrate on strengthening institutions which undertake applied research in such areas as solar drying techniques in order to provide the technological basis for the development of the industry in rural areas and so improve the availability of food products previously wasted or considered improper for consumption. In addition, the subprogramme will assist the technical upgrading of national organizations dealing with the development and adaptation of internationally recognized food production and quality standards required for technical guidance on the quality control of food products, especially those produced in medium- and large-scale operations. At the enterprise level, interventions will be made at three different stages. First, the introduction of programmes for applying advanced technologies in traditional food industries, particularly in Asia and Latin America, is expected to propagate further development of: (a) the starch and the food fermentation industry through utilization of by-products previously wasted; and (b) edible oil and animal feed production and the fruit and vegetable processing industry through improvement of their operational efficiency and management skills. Secondly, technical advice and pilot operations on the introduction of cleaner technologies into the sugar industry in Latin America will be extended to Africa and Asia. This will have a major impact on large-scale agro-based food operations with the utilization of (previously wasted) complementary outputs as sources of food for domestic markets and for additional foreign exchange earnings. As the third element, the experience UNIDO has gained with the introduction in Eastern Europe of internationally accepted food quality standards will be extended to Asia, Latin America and Africa, aiming at increased availability of adequate food products to domestic and export markets.

5.51. For the animal-based food industries, the following three types of outputs will be produced and the associated activities undertaken: (a) in the meat, dairy and fish industries, support will be provided to the introduction of modern processing and packaging technologies in order to improve handling and storage of raw materials during the post-harvest period and of processed products in order to maintain natural quality, enlarge the varieties of finished products and comply with international food quality standards; (b) appropriate treatment of waste water and effluents will be undertaken and cleaner processing technologies will be applied, thus protecting the environment; and (c) advisory and training support in the field of food process technology and quality control systems and dissemination of knowledge and information on nutrition and food intake will be provided to pilot and industrial-scale processing facilities and R and D institutions.

5.52. For the leather and leather products industry, essentially three types of outputs will be produced and the associated activities undertaken. First, with regard to the supply of raw materials, large-scale regional programmes will be developed and implemented, particularly in Africa, to improve collection, grading and basic preservation of raw hides and skins. Second, in order to achieve improved product quality in the tanning industry, advisory services will be provided in respect of improving quality of leathers produced, especially in relation to changing fashion trends. In the African context, management training and advisory services on plant level rehabilitation will be provided in order to improve the industry's productivity. In the footwear and leather goods industries, efforts will be continued at both the industry-related institutional and enterprise levels to improve designs and to reduce costs by: (a) providing advice on fashion and world market trends; (b) providing training to management and operational personnel on specific improvements in manufacturing techniques and product quality control; and (c) introducing such production methods as CAD/CAM. In undertaking these efforts, the subprogramme will cooperate closely with the programme of regional and global consultations as a promotional mechanism. Third, the environmental issue will be addressed through several methods. Advisory support will be provided to pilot and industrial-scale plants in the adoption of cleaner tanning technologies. Advice will also be provided to the tanning industry on the adoption of accepted/permitted chemicals in the tanning process. Direct technical cooperation will be provided in terms of design, installation and operation of by-product and waste treatment plants. These efforts will be supplemented by informational support in the form of a network of databases on clean technology and on improved means of transferring such technologies. In addition, the UNIDO/UNEP manual on waste and residue management technology for the leather and leather products industry will be updated, in order to provide a ready reference work on cleaner production technologies, cost-efficient methods of waste treatment, and environment-related legislative matters.

5.53. Three types of outputs and activities are envisaged for the textile and garments industry. First, in order to enhance competitivity, training, advisory and information services will be provided in such key areas as: the adoption of new spinning and weaving technology; improved quality assurance systems which also reduce wastage of inputs; the appropriate use of computer-aided manufacturing techniques to assure product consistency; and, where necessary, the provisional of technical assessment and management advice to public-sector enterprises marked for privatization. Second, the downstream processing of textiles and the manufacture of garments will be supported by providing comprehensive technical cooperation support to the creation of such institutions as fashion and design centres which could provide industry with assessed information on fashion trends and training in critical areas of garment manufacture. The subprogramme will also mobilize services which could provide advice and designs for plant layout, production management systems and product development strategies for the establishment of new garment industries. Third, the environmental issue will be addressed by the provision of the necessary computer software, related training and advisory services on dye recipe optimization and print-paste utilization to industry and industry support institutions. At another level, the reduction of energy consumption will be supported by direct advice to industry on relevant process modifications. The approach adopted by the subprogramme offers the distinct advantage of advocating environmental protection through measures which enhance profitability by economizing on inputs. Finally, in some cases, technology advisory services will be offered on such environment conservation measures as heat recovery and effluent treatment.

5.54. Outputs for the wood and wood-processing industries will relate to the choice and upgrading of technology, improving skills and protecting the environment. Through techno-economic analyses and advisory services to industry, developing countries will be supported in adopting the technology most appropriate to their conditions and levels of development. Production management and product development know-how will be enhanced through such types of training as in-plant training courses, seminars and workshops and the preparations of printed and audio-visual training aids. Environmental protection will be engendered through advisory services on the specification or modification of technologies in order to develop cleaner modes of production. Furthermore, advice will be offered to industry on the use, especially in construction, of a wider range of wood species grown either in natural forests or in plantations. A complementary output will be the development and upgrading of building codes for the structural use of timber.

Coordination

5.55. The subprogramme will draw on the expertise provided by its own core staff as well as on inputs from other subprogrammes throughout the Organization. It will closely cooperate with those subprogrammes in major programme 300, Programme and Project Development, concerned with the identification of operational activities, primarily in programme 330, Area Programmes, as well as maintain close links with subprogramme 532, Institutional Infrastructure, and subprogramme 541, Industrial Human Resource Development. In the field of industrial information, it will cooperate with subprogrammes 421, Industrial Investment Programmes, and 423, Feasibility Studies. It also receives support from the subprogrammes involved in group training and fellowships: subprogrammes 541, Industrial Human Resource Development, 542, Project Personnel Recruitment and Administrative Service, 841, Purchase, 842, Contracts, and 832, Financial Management of Technical Cooperation. In planning and carrying out its activities, the subprogramme will also cooperate with other United Nations bodies and organizations such as UNDP, FAO, ITC, UNEP, UNESCO, WHO and ILO, the regional commissions, in particular ESCAP and ECE, and non-governmental organizations active in the subprogramme's field.

Resource requirements

5.56. Responsibility for coordinating and producing the output and activities will be assumed by the staff attached to the subprogramme whose strength has been augmented by two Professional and two General Service posts following the redeployment of those posts from subprogramme 533, Industrial Management and Rehabilitation. The redeployment is proposed in order to streamline and amalgamate wood and wood-processing activities with other agro-industry related activities under major programme 500.

5.57. Consultant funds ($25,000) will be required to update and revise the UNIDO manual on waste and residue management technology for the leather industry. Travel resources ($25,600) will be needed to fund field travel for advisory services, the formulation of programmes and identification of projects. Some of the travel resources will be allocated to funding staff participation in international technology fairs and meetings so as to keep abreast of technological developments in the fields covered by the subprogramme.

Resources increases/decreases

5.58. The regular budget shows an increase of $639,300 and the operational budget a decrease of $188,700. The regular budget increase is due to the redeployment of one P-5 ($232,400), one P-4 ($199,400) and two General Service posts ($207,200) from subprogramme 533 and an increase in travel resources ($300). The operational budget decrease is due to the abolition of one P-3 post ($172,200) and a reduction of consultant ($8,200) and travel resources ($8,300) to zero. The total resource increase under this subprogramme amounts to $450,600.

Major Programme: 500 INDUSTRIAL OPERATIONS
Programme: 520 Industrial Operations Technology
Subprogramme: 522 Chemical Industries

1994-1995 resource requirements
(In thousands of dollars, at 1993 rates)

Regular and operational budgets

	Staff Prof. wy/ms	GS/Other wy/ms	Cost	Consult.	Meetings	Travel	Other	Total	Previous biennium 1992-1993
RB	38/0	18/0	4,744.6	90.1	42.9	50.0	0.0	4,927.6	4,818.1
OB	2/0	24/0	1,442.6	0.0	0.0	0.0	0.0	1,442.6	2,014.5
Total	40/0	42/0	6,187.2	90.1	42.9	50.0	0.0	6,370.2	6,832.6

Subprogramme description

Introduction

5.59. Chemical industries bear relevance to all sectors of the economy in both developed and developing countries. Their capacity to meet basic human needs through the production of energy, inputs to agriculture, housing and health care alone justify their importance to the Organization's work in support of the industrial development of developing countries. As a highly varied group of industries, they employ technologies ranging from the simplest to the most sophisticated in both the public and private sectors.

5.60. The subprogramme encompasses the petroleum and petrochemical industry (24 per cent of the subprogramme's resources); the inorganic and agro-chemicals industries (22 per cent of resources); the pharmaceutical industry (25 per cent of resources); and the building materials and allied non-metallic mineral industries (29 per cent of resources); and industrial bio-technology environment and energy.

Problems addressed

5.61. Given the sheer variety of production processes and technologies in the group of industries covered, caution must be exercised in generalizing problems confronting developing countries. This notwithstanding, some key common issues can be identified. First, since most of the industries covered are knowledge-intensive, there is a continuing need to develop and update capacities to design, manage, maintain and rehabilitate industrial enterprises which are based on complex technologies and processes.

Second is the need to optimize productivity, ensure and improve product quality and support product diversification and development. To the extent possible, this will require the substitution of products based on synthetic materials by products based on natural materials. Third is the need for promoting the safe use of technologies and products of certain chemical industries. Fourth is the need to mitigate the adverse environmental impact of these industries, in connection with which energy efficiency takes on particular significance. Fifth, pervading all the previously enumerated points, is the need to enhance the capacity of developing countries to exercise the most appropriate technology choices and modes of technology transfer, consistent with available inputs, skills, infrastructure, market conditions and their potential environmental impact.

Objectives

5.62. Against the background of the problems outlined above, the subprogramme has three objectives. The first objective is to transfer know-how to developing countries in order to enhance their capacities to exercise the most appropriate choice of technology and maximize operational efficiency. Second is to improve product quality and enhance product diversification and development. Third is to promote the safe uses of technology and products, including mitigation of the adverse environmental effects and the recycling of the wastes of the industries covered by the subprogramme.

Output and activities

5.63. Within the context of UNIDO country strategies, the subprogramme will offer services of five basic types: (a) through technical advisory services and technical studies, it will support government and industry-related institutions in their efforts to prepare sound policies and strategies for the development of the industry; (b) it will provide technical support services and undertake integral projects to enable developing countries set up and strengthen institutions that support the industry; (c) it will support improvement in the operation and maintenance of chemical plants through the organization of training for plant personnel and the provision of international expertise to those plants; (d) it will offer information and advice to support industry in the transfer and adaptation of technologies, taking into account the factors enumerated in paragraph 5.61 above; and (e) it will support applied research for product diversification and development, through such means as experts' advisory services, technological information and TCDC. Under these overall outputs and activities, specific concerns at the branch level bear mention.

5.64. For petroleum refining and petrochemical industries, activities, projects and programmes will be undertaken related to: (a) improved operational safety and efficiency of existing plants; (b) reduction of pollution/emissions; and (c) enhancement of recycling, e.g., of plastics. Advice will be provided to Governments and industries in setting up new ventures (e.g., refineries and petrochemical complexes), and expert services will be provided for quality assurance of petrochemical-based products. Increased assistance will be provided in order to enhance chemical process engineering capabilities in developing countries at the level of industry support institutions and enterprises.

5.65. For agrochemical industries, specific attention will be devoted to promoting good manufacturing practices and the implementation of integrated international safety guidelines for pesticide formulation developed during the biennium 1992-1993. In addition, efforts will be directed towards developing user and environmentally friendly formulations; developing bio/botanical pesticides in support of integrated pest management; setting effluent limitation guidelines; and supporting regional networks for the safe development and management of pesticides, the implementation of guidelines for effluent treatment and adoption of the implied technological patterns. In fertilizers, national strategies for fertilizer development will be emphasized and fertilizer industries will be advised to streamline their production and modernization of plants, a context in which the rehabilitation of the fertilizer industries in Eastern Europe takes on particular significance. Innovative technologies will be introduced to reduce leaching of fertilizers from the soil in order to enhance product efficiency. In the pulp and paper subsector, the subprogramme will place priority on the promotion of the industry's environmental sustainability through such means as the use of renewable raw materials such as kenaf and jute; the recovery of chemicals from black liquor; chlorine-free bleaching; technological upgrading of small/medium-sized mills and overall pollution control through energy and water conservation.

5.66. A step-by-step approach will be applied to the development of the pharmaceutical industry, depending upon the technological sophistication of a country. For countries at lower levels of development, efforts will be directed towards supporting basic formulation and packaging of pharmaceuticals. For countries at the intermediate level, support will be provided to the manufacture of basic and fine chemicals for industry, as well as diversification to alternative sources of chemicals such as medicinal and aromatic plants. At the more advanced level, the application of biochemicals such as enzymes, antibiotics and animal by-products will be supported. At each stage, careful attempts will be made to support the application of WHO criteria on good manufacturing practices in pharmaceutical facilities, to establish quality management systems and to promote technologies permitting the utilization of indigenous raw materials. As a specific initiative to contain the spread of HIV/AIDS, the subprogramme will support the hygienic production of syringes, medical gloves and condoms in developing countries.

5.67. As a common theme across all chemical industries, the subprogramme will provide studies, expertise and technical advisory services related to the treatment of chemically polluted water, water purification and sewage disposal through the use of industrial biotechnology and controlled chemical treatment. This common component of the subprogramme will also devote itself to the management and disposal of hazardous wastes as well as to the diversification of energy sources and the environmentally friendly generation of energy from coal.

5.68. For the cement, lime and concrete industries, three basic thrust areas are envisaged. First is the institutional and plant-level support to develop products which make optimal use of raw material deposits in a given developing country. Second is the effort to optimize productive efficiency of cement plants, particularly with regard to energy consumption, through advisory services on such aspects as plant design, introduction of energy-efficient technology and improvement of plant management. Third is the environmental aspect of this industry, where efforts will be sustained towards attaining a reduction of atmospheric emissions of dust and polluting gases.

5.69. The subprogramme's efforts in the field of non-metallic minerals will concentrate on developing various non-metallic mineral endowments in developing countries in order to develop products for the building materials industry; for agriculture in such applications as soil benefication; and for industrial ceramics, refractories and final consumer goods.

Coordination

5.70. The subprogramme cooperates with all the programmes concerned with programme and project development, 340, Industrial Policy and Perspectives, 350, Area Programmes, 320, Special Measures and Activities, and 350, Industrial Cooperation and Funds Mobilization, in matters related to the identification and formulation of field projects. It also receives support from units involved in group training and fellowships, project personnel recruitment, purchasing and contracts and financial management of technical cooperation. It provides inputs to the support units by identifying and evaluating potential candidates for UNIDO's roster of experts and identifying potential suppliers of equipment and technology. Strong links will be maintained with subprogrammes 324, Environment Coordination, and 441, Industrial and Technological Information, while outside UNIDO coordination will be strengthened with organizations such as UNDP, UNEP, UNDCP, WHO (IPCS), FAO, ESCAP, the World Bank, OECD, IUPAC and GIFAP.

Resource requirements

5.71. Responsibility for coordinating and producing the output and activities will be assumed by the staff attached to the subprogramme whose strength will be decreased under the operational budget following the redeployment of one Professional post to subprogramme 541 and the abolition of three General Service posts.

5.72. Consultant resources ($90,100) will be required for the following activities: (a) an environment-related consultant ($8,000) to prepare a study on latest technologies to alleviate water pollution and the greenhouse effect; (b) an energy consultant ($8,000) to prepare a study analysing the present status of the application of new and renewable sources of energy and the different technologies involved and to elaborate recommendations on possibilities for technical cooperation; (c) a consultant ($26,100) to investigate unforeseen problems in petroleum refining and petrochemical industries which are outside the expertise available in the subprogramme; (d) a consultant in agrochemical industries ($12,000) to identify modern cleaner technologies that could be adapted in developing countries to improve safety and environment protection; (e) a consultant ($16,000) in the pharmaceutical industries to provide highly specialized advice on marketing and financial aspects; (f) a non-metallic minerals consultant ($12,000) to address unforeseen issues that may arise during the implementation of the programme; and (g) a consultant ($8,000) in advanced materials to prepare a study analysing the status of advanced materials technology, assessing possibilities of its utilization for the fabrication of health care and pollution control devices in developing countries and identifying possible cooperation at the regional and interregional levels.

5.73. Travel funds ($50,000) will be utilized for ad hoc travel for trouble-shooting missions and the identification of new operational activities with potential relevance to the subprogramme and participation in specialized industrial fairs and other forums to keep abreast of latest technological developments. Expert group meeting funds ($42,900) will be required to fund a meeting on the technologies, economics and legislative dimension of recycling in the pulp and paper and plastics industries.

Resource increases/decreases

5.74. The regular budget shows an increase of $109,500 and the operational budget a decrease of $571,900. The regular budget increase is due to an increase in consultant ($49,800), meeting ($42,900), and travel resources ($16,800). The operational budget decrease is due to the redeployment of one P-4 post ($199,400) to subprogramme 541 and the abolition of three General Service posts ($310,800), resulting in an overall staff cost decrease of $510,200, as well as to the reduction of consultant ($50,600) and travel resources ($11,100) to zero. The total resource decrease under this subprogramme amounts to $462,400.

Major Programme: 500 INDUSTRIAL OPERATIONS
Programme: 520 Industrial Operations Technology
Subprogramme: 523 Metallurgical Industries

Regular and operational budgets

	Staff Prof. wy/ms	GS/Other wy/ms	Cost	Consult.	Meetings	Travel	Other	Total	Previous biennium 1992-1993
RB	16/0	12/0	2,362.6	27.8	0.0	30.0	0.0	2,420.4	2,455.8
OB	4/0	4/0	578.8	0.0	0.0	0.0	0.0	578.8	791.8
Total	20/0	16/0	2,941.4	27.8	0.0	30.0	0.0	2,999.2	3,247.6

Subprogramme description

Introduction

5.75. Metallurgical industries may be divided into three main areas. First is the iron and steel industry which provides, for example, structural materials for building, transport, agricultural equipment and machinery, as well as steel plate and sheet for structures, packaging, roofing, transport equipment and other uses. Second are the foundry, forge and other metal transformation industries which provide metal and spare parts for machinery and equipment manufacture and maintenance. That branch of industry also processes metals into final products such as tubes, wires, ropes, and automotive sheet metal parts. Third is the non-ferrous metals branch of this industry, which concerns the processing to basic metals and alloys of such ores as copper, aluminium, zinc, tin and precious metals.

5.76. The subprogramme devotes approximately one third of its resource to each of the industrial branches listed above.

Problems addressed

5.77. The iron and steel industry is highly capital- and energy-intensive. It is a major source of industrial pollution and is not always profitable. In order to survive and compete adequately in price and quality, even within domestic markets, the iron and steel industry in developing countries requires assistance in rehabilitation and restructuring in order to adapt to world cost and quality standards. The medium- and long-term market outlook for the large integrated plants and for mini- and micro-mills, as well as for re-rolling mills, must be defined in terms of their likely products and productive capacities in relation to the markets served. It is essential to improve existing manufacturing processes and procedures through such measures: as the introduction of quality management systems; modern maintenance programmes; improved energy management, pollution monitoring and waste recycling programmes. It is also essential to undertake financial evaluations and effect the introduction of more efficient and cleaner technologies. Given the trend towards the restructuring and privatization of industry, the training and re-qualification of the work force, managers and workers alike, need to be a continuous endeavour.

5.78. The manufacture of metal parts, using such processes as forging, foundry and pressing, faces problems of inefficiency, high costs and product rejection rates, low quality and a lack of process and product manufacturing expertise. The frequent shortage of metal parts for equipment and spares is a cause of extraordinary losses of production in client industries. Obsolete technologies limit the range of products offered by metalworking industries, and thus their capacity to serve clients in most developing countries. The consumers of the parts (i.e. all industry) suffer financially from shortages caused by difficulties with the operation of foundries, forges, heat treatment, welding, surface coating and other processes. In addition to the operational problems found in all the processes, severe health and environmental hazards are also encountered: e.g. silicosis, exposure to hydrocarbons, cyanides and other noxious substances. Small- and medium-scale metalworking industries demand relevant, effective institutional support and do not have the capital to invest in technology which protects the environment. Consequently, energy management programmes need to be undertaken in order to improve profitability of such industries, so that additional resources are generated for investment in plant-level environmental protection measures, thereby coupling the need for energy efficiency with environmental concerns.

5.79. Non-ferrous and precious metals extraction and beneficiation already accounts for a significant proportion of the foreign currency earnings of some developing countries and this can be much increased. However, these branches of industry need to comply with the most rigid environmental rules and regulations. Obsolete technologies are not competitive, and incorrectly and inefficiently operated installations lead in many cases to: life-threatening health conditions; a grave impact on the environment; and low metal recovery rates, high operating costs as well as high energy consumption. If these industries are to compete on the world market, modernization and rehabilitation efforts need to be urgently undertaken to improve the profitability of operations. The non-ferrous extractive industries need assistance in the selection of cost-effective technological alternatives which conform to the most rigid environmental rules.

5.80. The sheer dimensions of the problems stated above require that a selective approach be taken in the subprogramme's activities. Thus, it will concentrate on establishing quality management programmes and investigating the short- and long-term downstream bottlenecks and restrictions on national development caused by problems and deficiencies within the metallurgical sector. While the problems associated with the environment are very serious, the solutions can be costly and outside the immediate financial reach of many industries. It is important, therefore, to provide advice to industry and Governments on the most pressing problems and, wherever possible, to identify, provide economic estimates for and support the implementation of technology adjustments or changes, which increase efficiency and lower costs, thereby providing the income to pay for indispensable environment-related investments. Quality management programmes and the environment issues, together with the need to upgrade technology, require that industrial training and education be carefully programmed. Industries must be fully involved in the establishment and management of subsector support institutions and associations, which could provide technical advisory services on issues common to the subsector. Efforts in the aforementioned areas should be directly linked to the markets for the subsector, which need to be continuously surveyed and new possibilities identified.

Objectives

5.81. The subprogramme is directed towards the development, strengthening and rehabilitation of the metallurgical industries subsector in the developing countries. Particular emphasis is placed on the evaluation and improvement of production processes in order to increase profitability and energy efficiency, coupled with the introduction of pollution abatement measures. The profitable application of the recycling of metallurgical wastes and scrap, and of energy management will be pursued. An important element is the establishment or reinforcement of industry-managed technical institutions that provide their members and others with back-up services and support for the identification, introduction and adaptation of cleaner technologies and processes suitable particularly to the needs of small- and medium-scale plants.

Output and activities

5.82. Within the context of UNIDO country strategies, the subprogramme will provide Governments with industry-specific advice concerning subsector problems and development policies and environmental issues. The subprogramme will be involved with individual enterprises or groups of similar-interest industries in the preparation of diagnostic studies and techno-economic feasibility studies for rehabilitation, restructuring and investment, as well as with the provision of advice for improved and more cost-effective operation. It will also promote the introduction of cost-effective improvements and changes which will favour the environment. Specific industry branch-level outputs and activities are as follows:

5.83. For the iron and steel industry the main outputs will be market-oriented advice and technical cooperation projects aimed at restructuring and rehabilitating steel plants. Quality assurance systems and maintenance programmes will form part of such projects. Advisory services and promotional activities aimed at specific industry plants and at institutions will include the introduction of clean and low waste technologies, environmental monitoring, energy management, establishment of retraining centres, sales networks and evaluation of technological alternatives for investment projects.

5.84. In the foundry and metal transformation subsector the outputs will be principally concerned with the reinforcement of industry institutions and associations for which integrated programmes will be undertaken with a view to improving technological systems for the specification and manufacture of metal parts and pieces. These programmes will encompass the foundry, forge, heat treatment surface coating, welding and other associated processes. Energy economy will be promoted by demonstrating the associated improved profitability in order to stimulate the introduction of environmentally favourable operations and production technology which may otherwise be outside the economic capacities of the industry.

5.85. Technical advisory services and technical cooperation in the field of non-ferrous extractive metallurgy will assist the industry by providing advice and techno-economic evaluations for rehabilitation and restructuring. They will offer advice and project management services that enhance environmental protection through such means as air/water monitoring programmes. Studies will be prepared based on laboratory/pilot tests on processing solid waste deposits arising from metallurgical operations. Reports will be prepared on the economic and environmental benefits of introducing cleaner production, recycling and waste minimization in light and heavy non-ferrous metals. The reinforcement or establishment of pilot plants and R and D facilities will lead to the commercialization of their results and a consequent impact on the manufacturing value-added of domestic resources. Training will be organized in management and minimization of industrial waste, hazardous and toxic wastes and their safe disposal and/or recycling. Workshops are planned on regional measures for controlling transboundary waste and air pollution caused by metallurgical industries.

Coordination

5.86. The subprogramme cooperates with other subprogrammes within major programmes 400 and 500, and with all programmes concerned with programme and project development (primarily programmes 320, 330, 340 and 350) and with the interregional advisers in the identification and formulation of field projects. It receives support from the subprogrammes involved in group training and fellowships (542), project personnel recruitment (543), purchasing (841) and contracts (842) and financial management of technical cooperation (832).

5.87. Outside the Organization, the subprogramme maintains close coordination with UNDP headquarters and its field offices, UCDs, ministries of industry and government bodies and national counterparts. In planning and carrying out its activities, the subprogramme cooperates with such organizations as UNEP, ILO, the World Bank and the regional commissions (in particular ESCAP, ECE and ECA) and non-governmental organizations such as IISI, ILAFA, SEAISI and ASM.

Resource requirements

5.88. Responsibility for coordinating and producing the output and activities will be assumed by the staff attached to the subprogramme which will be decreased by one Professional post. Consultant funds ($27,000) will be required to prepare technical documentation on technological and environment-related subjects. One consultant ($9,400) will address the issue of low investment, low energy consumption and high productivity methods in current environment-friendly steel-making technologies, such as thin slab castings. Another consultant ($9,400) will prepare a paper to assist selected countries in upgrading existing plants on the basis of low-waste technology to increase productivity and efficiency and to reduce the adverse impact on the environment. Another consultant ($9,000) will prepare a paper on practical strategies for the introduction of optimum quality, lowest cost technologies for small- and medium-scale industries involved in the manufacture of metal parts. These documents will be used to provide project development advice and decision-making support to policy makers and industry in developing countries.

5.89. Travel resources ($30,000) will be required to undertake project formulation, trouble-shooting and monitoring missions which are not covered by project budgets, as well as to participate in global meetings organized by UNIDO and others. Some of the travel resources will be utilized for core staff of the subprogramme to provide advice and technical expertise to government policy makers and industry.

Resource increases/decreases

5.90. The regular budget shows a decrease of $35,400 and the operational budget a decrease of $213,000. The regular budget decrease relates to decreases in consultant ($20,300) and travel resources ($15,100). The operational budget decrease is the result of abolishing one P-3 post ($172,200) and reducing consultant ($15,900) and travel ($24,900) resources to zero. The total resources decrease under this subprogramme amounts to $248,400.

Major Programme: 500 INDUSTRIAL OPERATIONS
Programme: 520 Industrial Operations Technology
Subprogramme: 524 Engineering Industries

1994-1995 resource requirements
(In thousands of dollars, at 1993 rates)

Regular and operational budgets

	Staff Prof. wy/ms	Staff GS/Other wy/ms	Cost	Consult.	Meetings	Travel	Other	Total	Previous biennium 1992-1993
RB	22/0	16/0	3,103.6	45.0	37.0	35.8	0.0	3,221.4	3,260.1
OB	0/0	4/0	207.2	0.0	0.0	0.0	0.0	207.2	438.3
Total	22/0	20/0	3,310.8	45.0	37.0	35.8	0.0	3,428.6	3,698.4

Subprogramme description

Introduction

5.91. The subprogramme covers the two main branches of the engineering industry: (a) the mechanical engineering industries which produce such products as agricultural machinery, machine tools, tools, dies and moulds, energy and transport equipment, as well as packaging and printing machinery; and (b) the electrical and electronics engineering industries which, through the production of a wide range of products and services, meet the needs of the energy and power sector, the telecommunications sector and the informatics and microelectronics industries.

5.92. Almost all of the industrial branches covered by the subprogramme create high manufacturing value added. This characteristic further emphasizes the important role of the subprogramme in supporting developing countries in their efforts to increase their share in the world's quantitative and qualitative manufacturing output.

Problems addressed

5.93. The sectors covered by the subprogramme are identified with the extensive range of different products manufactured using widely varying design and process technologies. Furthermore the end-users of, and hence the markets for, these products diverge vastly. These characteristics make it very difficult to universalize the problems faced by engineering industries in general and by the industries of the developing countries in particular.

5.94. Mechanical engineering industries manufacture products of widely varying complexity, from simple agricultural hand tools to highly complicated computer-controlled machining centres. Moreover, the markets for the different categories of products are governed by different sets of factors. For example, the purchasing power of rural populations is the driving force behind the manufacture of simple agricultural tools and machinery which are normally fabricated using simpler technologies. The manufacture of complex mechanical equipment, on the other hand, is highly capital- and know-how intensive and calls for a well-developed industrial infrastructure and human resource base. The investment climate and policies of a country are the main market determinants for capital goods.

5.95. The electronics industry and information technologies belong to the know-how intensive and market-driven industries. During the past decade, these industries have, on the average, grown much faster than any other manufacturing sector in developed and developing countries alike. Manufacture and marketing of these sectors' products and services are undertaken on an increasingly global scale. Therefore, in order to be able to compete in international markets, the industry should possess up-to-date product design and manufacturing technologies, as well as elaborate marketing and servicing networks. Particularly in the case of information technology products, value-added reselling (which encompasses systems integration, software development and application development) provides an entry route into the sector.

5.96. Despite the wide range of industries it deals with, the subprogramme addresses a number of problems common to all those industries. Those are: transferring, adapting and efficiently utilizing technologies; achieving and sustaining required levels of production to build up the essential quality and quantity of marketable products; maintaining and repairing plants, systems and equipment; selecting energy-efficient and cleaner technologies and managing industrial waste; and manufacturing environmentally-compatible products.

Objectives

5.97. The basic objective of the subprogramme is to support the development, strengthening and rehabilitation of engineering industries in developing countries. This objective has three dimensions. The first is to accelerate the transfer of technologies to developing countries. The second is to increase productivity while improving product quality. In that connection, the maintenance of the productive apparatus takes on high priority. The third is to encourage the utilization of cleaner technologies and manufacture of environmentally compatible products, including reducing wastes generated by existing industries covered by the subprogramme.

Output and activities

5.98. Within the context of the mandate and country strategies of UNIDO, this subprogramme will provide Governments with advice on the overall developmental and environmental policies and concerns for the industries covered. In cooperation with government agencies, public and private institutions and industrial associations, the subprogramme will develop or strengthen support facilities and centres of excellence for this subsector. As far as individual enterprises or groups of contiguous industries are concerned, the subprogramme's activities will pertain to carrying out diagnostic and techno-economic feasibility studies and providing technical and managerial advice on improved operations, including pollution abatement.

5.99. The types of technical cooperation services rendered will be: advisory and support services financed from regular budget, TSS-2, and AOS sources; the design, formulation and implementation of integral projects financed from such sources as IDF and trust funds; and technical contributions to "upstream" studies financed under such sources as TSS-1, preparatory assistance and the regular budget. As described above, the counterparts of the subprogramme in developing countries are government agencies, institutions and associations supporting industry in both the public and private domain.

5.100. The subprogramme's outputs and activities will cover broader areas of industrial production and products than in the past. In the production of agricultural machinery and implements, increased emphasis will be placed on post-harvest equipment; for capital goods, the development of machine tools, including computer-controlled equipment, will play a dominant role; for transport equipment, the development of rail equipment is expected to reach the same level of interest on the part of Governments as road and water transport equipment. The subprogramme will also support the manufacture of various products for the mechanical and electrical industry, notably consumer goods and instruments of all types, while in the printing and packaging field, the orientation will be basically towards the food processing sector.

5.101. An important area of this subprogramme will be the support it offers in the area of industrial maintenance and spare parts manufacture. This is directed towards all technical equipment within various sectors of industry, such as mining, energy, agricultural and earth-moving equipment, rail transport, road and water transport, hospital equipment, equipment for laboratories and technology training centres. This involves the conduct of maintenance audits, the introduction and restructuring of maintenance services, as well as computer-assisted maintenance management and awareness building leading to higher product quality, productivity, safety and environmental protection.

5.102. In the field of environmental protection and industrial pollution, assistance will consist of providing advice and guidance on: modification of production processes; more efficient utilization of raw materials and products; proper maintenance of technological processes and installations; selection and adaptation to local conditions of pollution control technology, including clean and recycling technologies; and equipment assessment.

5.103. In the field of energy, the subprogramme will offer advice and technical services on the introduction of energy-efficient production processes, and on the development of new and renewable sources of energy. This will include the design and manufacture of equipment for clean and non-polluting energy generation from hydro, thermal, wind and solar power.

5.104. Assistance will be rendered to developing countries to comply with the Montreal Protocol and to identify those areas which fall within the mandate of UNIDO. They include: the transfer and adaptation of CFC-substitute technology in refrigeration and solvents; application of technology for recycling and disposing of ozone-depleting substances; and pre-investment analysis for inclusion in programmes and projects.

Coordination

5.105. In carrying out its work, the subprogramme cooperates with the programmes in major programme 300, Programme and Project Development (primarily programmes 320, 330, 340 and 350) and subprogramme 511, Interregional Advisers (subprogramme 511) in the identification and formulation of technical cooperation projects. It cooperates with subprogrammes dealing with industrial human resource development (541), project personnel recruitment (542), purchasing (841), contracts (842) and financial management of technical cooperation (832). Outside the Organization, the subprogramme maintains close coordination with UNDP headquarters and its field offices, ministries of industry and government bodies and national counterparts. In planning and carrying out its activities, the subprogramme cooperates with FAO, ILO, ITC, UNEP, WHO, the World Bank and the regional commissions (in particular ESCAP, ECE and ECA).

Resource requirements

5.106. Responsibility for coordinating and producing the output and activities will be assumed by the staff attached to the subprogramme, whose resources have been decreased following the abolition of one Professional post under the operational budget. The subprogramme will draw on the services of outside experts and four work-months' consultant resources ($45,000) will be required to prepare UNIDO position papers on: (a) low-emission control technologies ($10,000); (b) remote sensing and image processing technologies ($15,000); (c) local manufacturing of telecommunication system components ($10,000); and (d) guidelines to retrofit refrigeration systems using non-CFC working fluids ($10,000).

5.107. Resources are required to fund an expert group meeting/workshop on remote sensing and image processing technologies ($37,000). Travel resources ($35,800) will be required to fund staff missions to provide technical advice on projects, to promote new projects in the private small- and medium-scale sector, to organize the above-mentioned expert meeting/workshop and to participate in international technical meetings or symposia such as electronics, computer and computer application fairs, so as to keep abreast of new technological developments in the fields covered by the subprogramme.

Resource increases/decreases

5.108. The regular budget shows a decrease of $38,700 and the operational budget a decrease of $231,100. The regular budget decrease is due to a decrease in meeting ($45,900) and travel resources ($5,800) that has been partially offset by an increase in consultant resources ($13,000). The operational budget decrease is due to abolishing one P-3 post ($172,200) and reducing consultant ($10,700), meeting ($27,300) and travel resources ($20,900) to zero. The total resource decrease under this subprogramme amounts to $269,800.

Major Programme: 500 INDUSTRIAL OPERATIONS
Programme: 520 Industrial Operations Technology
Subprogramme: 525 Office of the Director

1994-1995 resource requirements
(In thousands of dollars, at 1993 rates)

Regular and operational budgets

	Staff								Previous biennium
	Prof. wy/ms	GS/Other wy/ms	Cost	Consult.	Meetings	Travel	Other	Total	1992-1993
RB	4/0	5/6	661.9	0.0	0.0	96.4	40.8	799.1	745.1
OB	2/0	6/0	543.2	0.0	0.0	45.5	0.0	588.7	777.8
Total	6/0	11/6	1,205.1	0.0	0.0	141.9	40.8	1,387.8	1,522.9

Subprogramme description

Introduction

5.109. As indicated by its title, the subprogramme is responsible for the direction, overall coordination and integration of the activities carried out under the four component subprogrammes (521, 522, 523, 524).

It also ensures close coordination with other programmes within major programme 500 and with other programmes throughout the Organization. The subprogramme also liaises with external organizations and institutions whose work is relevant to that of the programme.

5.110. In addition, the subprogramme also ensures efficient management of the subordinate subprogrammes in terms of adherence to procedures, rules and regulations, management of allocated resources, and timely implementation of technical cooperation and support activities.

Problems addressed

5.111. The immediate problem confronting the subprogramme is that of ensuring the smooth and effective operation of the programme, thereby assuring the efficient delivery of development services in an environment characterized by rapid change not only in terms of socio-economic development but also in terms of the services expected of the Organization. Closely allied to that are the administrative problems related to ensuring effective coordination and mobilizing resources which demand clear instructions and adherence to procedures. The substantive problems stem from the increasing complexity of technical cooperation activities that call for the development of a truly integrated approach, team formation, timely responses and efficient programme/project design and implementation. The subprogramme has to address the problem of ensuring coordination and consistency of activities carried out by the subordinate subprogrammes within the programme as a whole, including TSS-1 activities and other aspects of the successor arrangements for agency support costs.

Objectives

5.112. The objective of the subprogramme is to ensure the efficient management of the technical cooperation activities of the programme, and their effective coordination and integration with the quantitative and qualitative objectives of the Organization, while ensuring the optimal contribution of the three adjunct subprogrammes to those objectives. It also seeks to identify new areas of technical cooperation for incorporation into the activities of the programme. Furthermore, it takes the lead in facilitating the promotion and development of new approaches with concurrent management of the programme's resources for achievement of best organizational results in matching the challenges of technical cooperation requests with the competent responses of the programme.

Output and activities

5.113. The output of the subprogramme is reflected in the performance of the subprogrammes it manages. The subprogramme supports, strengthens and guides the component subprogrammes, in order to meet established organizational and major programme targets. It establishes procedures and provides directions to the component subprogrammes so as to overcome operational and other problems and ensure full implementation of technical cooperation and other activities undertaken by the programme. It also supplies senior management with support data for decision-making derived from the analysis of available data and observations during the implementation of the programme's activities. By means of analysis of technical cooperation reports and activities, studies and attendance at specialized forums, the programme also identifies new areas of technical cooperation and other activities of potential interest to the programme. Through participation in UNIDO internal task forces and working groups and involvement in the Organization's policy-making process, the subprogramme is able to assess future demand for its services and so plan the optimal utilization of the programme's human and financial resources. It represents the Deputy Director-General and the Director-General at their request at meetings, conferences and other internal and external gatherings.

Coordination

5.114. All activities carried out by the staff of the programme are coordinated with other programmes in this and other major programmes of UNIDO, especially in matters related to the integration of energy- and environment-related aspects in technical cooperation projects. The programme also enjoys cooperation with other agencies of the United Nations system, especially FAO, UNDP, UNEP and WHO.

Resource requirements

5.115. Managerial activities for the programme as a whole will be carried out by the core staff attached to the subprogramme which comprises three Professional posts and five General Service posts, one of which has been converted from the operational budget to the regular budget. Travel resources under both the regular budget ($36,400) and the operational budget ($45,500) are required to cover: (a) additional servicing required for project-level activities such as trouble-shooting, assessment of project implementation and participation in country industrial review missions and advisory missions; (b) participation in specialized industry forums, attendance at specialized meetings and related missions to identify new areas for diversification of the programme activities; and (c) travel carried out by an energy adviser attached to the subprogramme whose post is financed from extrabudgetary sources. Resources are also required for temporary assistance ($59,000), overtime ($2,300), and printing costs ($40,800) for the programme as a whole.

Resource increases/decreases

5.116. The regular budget shows an increase of $54,000 and the operational budget a decrease of $189,100. The regular budget increase is due to the conversion of one General Service post ($103,600) from the operational budget to the regular budget that has been partially offset by decreases in general temporary assistance ($20,400), travel ($18,200) and printing funds ($11,000). The operational budget decrease is due to the conversion of one General Service post and a decrease in travel funds ($85,500). The total resource decrease under this subprogramme amounts to $135,100.

Major Programme: 500 INDUSTRIAL OPERATIONS
Programme: 530 Industrial Institutions and Services

1994-1995 resource requirements
(In thousands of dollars, at 1993 rates)

Regular and operational budgets

	Staff								Previous biennium
	Prof. wy/ms	GS/Other wy/ms	Cost	Consult.	Meetings	Travel	Other	Total	1992-1993
RB	66/0	40/4	8,857.7	100.7	28.0	118.2	42.5	9,147.1	9,825.5
OB	8/0	16/0	1,599.2	0.0	0.0	2.0	0.0	1,601.2	2,363.2
Total	74/0	56/4	10,456.9	100.7	28.0	120.2	42.5	10,748.3	12,188.7

By subprogramme

	Staff								Previous biennium
	Prof. wy/ms	GS/Other wy/ms	Cost	Consult.	Meetings	Travel	Other	Total	1992-1993
531 Industrial Strategies and Policies	18/0	14/0	2,639.6	0.0	0.0	16.0	0.0	2,655.6	2,678.4
532 Institutional Infrastructure	34/0	24/0	4,618.2	89.7	28.0	67.8	35.0	4,838.7	5,346.8
533 Industrial Management and Rehabilitation	18/0	12/0	2,377.2	11.0	0.0	10.8	7.5	2,406.5	3,308.5
534 Office of the Director	4/0	6/4	821.9	0.0	0.0	25.6	0.0	847.5	855.0
Total	74/0	56/4	10,456.9	100.7	28.0	120.2	42.5	10,748.3	12,188.7

Programme description

Development objectives

5.117. As the economics, policy and institutional component of the major programme dealing with industry-wide strategy and policy, infrastructural and management concerns, the programme endeavours to improve self-sufficiency and sustain industrial development in the developing countries by: contributing to the formulation and implementation of industrialization strategies, policies and plans (subprogramme 531); promoting the development of small- and medium-scale industries, indigenous entrepreneurship and institutions supporting industry (subprogramme 532); and improving industrial management and supporting rehabilitation efforts in the developing countries (subprogramme (533).

5.118. The operational activities of the programme will focus on: designing strategic approaches to industrialization; setting up networks of industrial support institutions, both within and between developing countries; assisting in the management of enterprises during the start-up and other phases of operation; improving entrepreneurial capabilities, promoting industrial partnerships; supporting privatization endeavours; and engaging in pilot projects and demonstration work related to industrial rehabilitation. These activities are undertaken within the context of an integrated and comprehensive approach at three distinct levels of intervention: policy, institutional and direct support.

Relationship to medium-term plan priorities

5.119. The programme responds in varying ways to the priorities set in the medium-term plan, in particular to the priority attached to small- and medium-scale industries. This is reflected in the manner in which the programme through subprogramme 532, Institutional Infrastructure, which has been assigned the focal point function for this priority area, provides integrated support at three distinct, yet closely interrelated levels: (a) policy, (b) institution, and (c) enterprises. It is also reflected in the manner in which the programme promotes policy reform and other measures related to the small- and medium-scale industry sector, enhances the effectiveness of institutions and mechanisms specifically designed to promote growth in that sector, assists enterprises and entrepreneurs to gain greater access to resources and generally supports the creation of an enabling environment for the small- and medium-scale industry sector.

5.120. The programme also responds directly to the priority area, industrial rehabilitation and modernization, helping enterprises, including small- and medium-scale enterprises, and industry subsectors to upgrade performance and improve productivity in response to changing conditions. It thus follows that the programme is also involved in developing appropriate industrial human resources and transferring technology, while responding to environment- and energy-related concerns. Of the three common elements in the medium-term plan, the integration of women in industrial development is considered at all levels of intervention in the programme's work related to the development of entrepreneurship and small- and medium-scale and rural industries. The mobilization of financial resources and ECDC have the greatest bearing on the work that the programme undertakes on industrial rehabilitation.

New features

5.121. As in the case of programmes 520 and 540, the evolution of the programme is not so much quantitative as qualitative. The discussion on institutional reform within the United Nations system has emphasized the need for technically specialized agencies to shift from administrative to knowledge-based functions. The programme will therefore endeavour to meet this need by shifting its emphasis from administering technical cooperation projects to providing direct technical advice on the implementation of operational activities to Governments, funding agencies and to industry itself in those areas where the Organization enjoys a comparative advantage. Increasingly, the staff of the programme will be deployed in cross-organizational programme and project support teams, with the intention of providing holistic techno-economic solutions to the problems faced by developing countries. A point of emphasis in this approach will be in the effort to link technical cooperation with the Organization's activities in the field of industrial investment and the provision of technological information services. The results of these changes will be reflected in the new nature of services offered by the programme. These services will be of three essential types: (a) providing technical support funded by the TSS-2 and AOS facility of UNDP to nationally executed development cooperation programmes and projects; (b) implementing integral programmes and projects assigned or subcontracted to UNIDO from such funding sources as IPF, IDF, SF, TF, Global Environmental Facility and the Interim Fund for the Implementation of the Montreal Protocol; and (c) providing specialized technical inputs to "upstream" programming activities at the level of the industry sector as a whole. These latter programming activities will be funded through such sources as the regular budget of UNIDO, IDF and the TSS-1 facility of UNDP. Such inputs will contribute to the formulation of the Organization's country strategies or assistance to Governments or funding agencies in the formulation of development cooperation programmes and projects.

5.122. These new features will require the programme to engage in a constant endeavour to sharpen its technical skills and its command of the latest developments in such fields as privatization strategies, target-group oriented approaches in entrepreneurial development, and new forms of linkages between small- and medium-sized enterprises in the North-South and South-South context (industrial complementarity) including the former centrally planned economies of Eastern and Central Europe. A key feature will be the provision of advice on industrial strategies and policies and the strengthening of capacities for strategic management of the industrialization process, while emphasis will be put on the development and refinement of advanced decision-support systems and models.

Variation over the previous biennium

5.123. With the changes following on the adoption of the UNDP successor arrangements, the programme will have to focus on strengthening its capacity to provide the new type of services expected of it. This it will endeavour to do by concentrating on priority areas in which it enjoys a comparative advantage, by enhancing the know-how of existing staff which will be complemented by the use of consultant funds and by using extrabudgetary travel resources in tandem with budgeted funds in order to establish and consolidate contacts with target beneficiaries. These steps will help to counter the programme's reductions in resources of the order of $678,400 in the regular budget and $762,000 in the operational budget. Part of the reduction is attributable to the reconfiguration of subprogramme 533, Industrial Management and Renabilitation, following the reassignment to subprogramme 521, Agro-based Industries, of the staff complement dealing with wood and wood-processing industry in order to ensure the concentration of activities related to that specific subsector in one subprogramme. Details of those and other resource variations are given at the subprogramme level.

Major Programme: 500 INDUSTRIAL OPERATIONS
Programme: 530 Industrial Institutions and Services
Subprogramme: 531 Industrial Strategies and Policies

1994-1995 resource requirements
(In thousands of dollars, at 1993 rates)

Regular and operational budgets

	Staff Prof. wy/ms	GS/Other wy/ms	Cost	Consult.	Meetings	Travel	Other	Total	Previous biennium 1992-1993
RB	16/0	8/0	2,156.6	0.0	0.0	14.8	0.0	2,171.4	2,162.3
OB	2/0	6/0	483.0	0.0	0.0	1.2	0.0	484.2	516.1
Total	18/0	14/0	2,639.6	0.0	0.0	16.0	0.0	2,655.6	2,678.4

Subprogramme description

Introduction

5.124. The formulation and implementation of effective development strategies and policies remains a basic prerequisite for successful industrial development. The approach taken by the subprogramme is one of indicative strategic planning and management: it aims at creating capacities in developing countries to identify and master the strategic factors in the industrial development and restructuring process. To a large extent the subprogramme contributes to creating the policy and institutional environment essential to the private sector assuming its proper role in the process. The need for a systematic and integrated approach is decisive; the approach may relate to the manufacturing sector as a whole, or to industrial subsectors and themes, such as productivity enhancement or integration of environmental issues into the policy-making process.

Problems addressed

5.125. Developing countries and, more generally, countries in economic transition often lack the capability to use their human, natural and capital resources efficiently. Trade, fiscal and investment policies are often inadequate, information on markets and technologies limited and mechanisms for restructuring, modernization and resource mobilization inadequate. Productive performance is often at a non-competitive level at a time when global and regional markets call for improved quality, greater productivity and enhanced response capacity. For the most part, environmental problems are treated by end-of-pipe solutions and the industrial development process as such is pursued without explicit concern for the environmental impact. Furthermore, developing countries and countries in transition to a market economy often lack the basis or capacity for sophisticated multi-criteria decision-making that is essential to strategic management, enhanced productive performance and environmentally sustainable industrial development. The introduction of new management approaches and support systems thus helps develop those countries to overcome the problems of structural adjustment.

5.126. With the approach it adopts to the strategic management of industrial development, the subprogramme seeks to promote, organize and support the development of an effective and competitive industrial fabric, particularly in the private sector. As indicated in the medium-term plan, through this approach, developing country Governments and industry arrive at a commonly shared overview of the industry sector as a whole or of specific subsectors. Within that overview, a coordinated set of measures can be developed for policy-making, mobilization of domestic and external investment resources, identification of technical cooperation programmes and projects and development of supporting infrastructure. The subprogramme addresses practically all medium-term priorities, since it assists in creating the overall framework and securing the basic prerequisites for industrial development as a whole. By contributing to the creation of an enabling environment for industrial growth in developing countries, it addresses the priorities of human resource development, industrial rehabilitation and small- and medium-scale industries. Furthermore, the subprogramme's integrated planning activities on a larger scale in the capital goods subsector are closely linked to the priority area of the development and transfer of technology, while within the framework of the environment programme of UNIDO it addresses environment-specific issues through the provision of technical cooperation and the development of methods and methodologies related to the elaboration of strategies and policies designed to enhance the sustainability of industry.

Objectives

5.127. The objectives of the subprogramme are to build up a capacity for the strategic management of the restructuring and development of the industrial sector in the developing countries, to enhance the productive performance of industry in those countries, to integrate industrial and environmental strategies and policies and to introduce adequate decision-support systems for the formulation and implementation of industry sector or subsector policies and strategies.

Output and activities

5.128. The subprogramme will assist developing countries in the formulation and implementation of industrial development strategies and policies. By identifying the strategic parameters for decision-making, the subprogramme will contribute to the establishment of an environment conducive to the restructuring and development of both private- and public-sector enterprises. It will achieve its outputs through: (a) the provision of international as well as in-house expertise and policy advice on sectoral and subsectoral issues; (b) the organization of training workshops, fellowships and study tours for policy and decision makers in industry and government; and (c) the provision of equipment and related training in its use for decision-support systems for the formulation and implementation of industry sector or subsector policies and strategies.

5.129. The primary output will be enhanced capabilities of institutions, such as ministries of industry and other government entities as well as industrial federations and chambers of commerce, dealing with the formulation and management of consistent stratagies, policies and programmes in support of industrial restructuring and competitiveness. This will be undertaken in close cooperation with subprogramme 532, Institutional Infrastructure. The second output will be the formulation of industrial development and restructuring programmes at both the sectoral and subsectoral levels and, upon request, the subsequent implementation of parts thereof.

5.130. Both outputs will draw on the methodology for the formulation and management of national strategies and integrated programmes in support of industrial restructuring that was elaborated by the subprogramme in the previous biennium. The methodology will be issued in the form of a manual in the course of the budget period.

5.131. The third output will be the establishment of a management information system and databases to improve decision-making on industry sector or subsector strategies and policies in developing countries. This will be matched by the introduction of appropriate decision-support systems and methodologies varying from simple performance indicators to expert systems. This will be undertaken in cooperation with subprogramme 532, Institutional Infrastructure, and 533, Industrial Management and Rehabilitation.

5.132. Under the UNDP successor arrangements, the subprogramme will render direct project design services, in the form of technical support to national executing and implementing agencies. Furthermore, its staff will act as implementing agents and provide technical support at the project level for projects assigned to UNIDO for implementation from various sources of funding. They will also participate as experts in the technical support services at the programme level (TSS-1).

5.133. The main beneficiaries and target groups of the subprogramme are policy makers in government as well as decision makers in the private sector. The subprogramme can also play a strategic role in the development of the operational activities of UNIDO at the country level as well as in TSS-1 and TSS-2 activities since it offers a coherent framework for the programmes of operational activities. Through that framework, be it in the form of an industrial strategy for a country or an alternative scenario for future industrial development, the subprogramme will provide guidance on the development of technical cooperation projects, the design and conduct of feasibility studies and the promotion of investment projects.

Coordination

5.134. By its very nature, the subprogramme will require inputs from many other subprogrammes and, in turn, deliver inputs to the work of those subprogrammes. Outside major programme 500, and particularly programme 530, it will cooperate with the subprogrammes in programme 300, Programme and Project Development. In addition to the subprogrammes in Area Programmes (330), it will have close ties with the IDDA Coordination Unit in the Office of the Director (337), Integrated Programme Support (323), Environment Coordination (324), IDF Mobilization and Funds Management (353) and Regional and Country Studies (342). It will also coordinate its activities with those of major programme 400, Industrial Promotion, Consultations and Technology. Within major programme 500, Industrial Operations, the subprogramme will closely coordinate its activities with the technical subprogrammes, for the most part 521, Agro-based Industries, and 524, Engineering Industries. As indicated in the output and activities above, close cooperation and coordination ensue within programme 530 on matters concerning industrial rehabilitation, support to the development of small-scale industries, institution-building and management information systems, as well as through the team set up in the programme that focuses on environmental issues. The subprogramme will cooperate closely with FAO, UNDP, UNEP and the World Bank, as well as with all regional commissions, while contacts will be maintained with regional economic groupings.

Resource requirements

5.135. Responsibility for coordinating and producing the output and activities will be assumed by the staff attached to the subprogramme. Resources will be required under both the regular budget ($14,800) and operational budget ($1,200) to fund staff travel on technical cooperation project formulation missions and participation in international meetings and conferences in areas within the subprogramme's mandate.

Resource increases/decreases

5.136. Regular budget resources show an increase of $9,100 and operational budget resources a decrease of $31,900. The regular budget increase is due to the conversion of one P-3 post from the operational budget to the regular budget that has been offset by abolishing one P-2 post ($133,800) and reducing consultancy and ad hoc expert group meeting funds to zero from their prior levels of $12,800 and $16,500 respectively. The operational budget decrease is due to the conversion of a P-3 post to the regular budget and decreases in consultancy ($14,900), meeting ($5,500) and travel resources ($11,500) which have been offset by the redeployment of a P-3 post from subprogramme 532, Institutional Infrastructure. The total resource decrease in this subprogramme amounts to $22,800.

Major Programme: 500 INDUSTRIAL OPERATIONS
Programme: 530 Industrial Institutions and Services
Subprogramme: 532 Institutional Infrastructure

1994-1995 resource requirements
(In thousands of dollars, at 1993 rates)

Regular and operational budgets

	Staff Prof. wy/ms	GS/Other wy/ms	Cost	Consult.	Meetings	Travel	Other	Total	Previous biennium 1992-1993
RB	28/0	20/0	3,812.8	89.7	28.0	67.8	35.0	4,033.3	4,040.6
OB	6/0	4/0	805.4	0.0	0.0	0.0	0.0	805.4	1,306.2
Total	34/0	24/0	4,618.2	89.7	28.0	67.8	35.0	4,838.7	5,346.8

Subprogramme description

Introduction

5.137. The subprogramme has two major elements: supporting small-scale, medium-scale and rural industries including entrepreneurship development, to which it devotes 60 per cent of its resources; and enhancing institutional infrastructure and support mechanisms for industrial development, to which it devotes 40 per cent of its resources.

5.138. Given the role that small-scale private businesses play in promoting and supporting industrialization, small- and medium-scale industries have become an essential component in the development strategies of many countries. As significant agents of economic growth and social progress, small- and medium-scale industries contribute to the generation of employment, income and foreign exchange. They also demonstrate structural flexibility and a dynamic ability to adapt to changing market conditions and technological innovations. In responding to the diversified needs of Member States related to the development of their small- and medium-scale industries and the private sector, the subprogramme focuses on: institutional mechanisms and infrastructure for small- and medium-scale industry development; entrepreneurship development and privatization strategies; enterprise-to-enterprise cooperation; rural industrial development; and industrial subcontracting. This emphasis is also reflected in the two functions assigned to the subprogramme: it acts as UNIDO focal point for small- and medium-scale industries; and it provides back-up services to the UNIDO focal point for rural development (both within the Organization and within the context of the United Nations ACC Task Force on Rural Development) which is located in subprogramme 534, Office of the Director.

5.139. Institutional infrastructure and support mechanisms lend significant impetus to industrial development. In supporting such institutions as quality control and standardization bureaux, the focus will be increasingly on total quality management with a view to improving both quality and productivity, minimizing production costs and thus improving exports. In strengthening industrial promotion institutions such as chambers of commerce and associations of industries, the focus will be on developing industrial information and databases and providing technical consultancy and extension services to their members, as well as securing their involvement in policy formulation.

Problems addressed

5.140. The problems addressed by the subprogramme are at three distinct levels: (a) policy; (b) institutional; and (c) enterprise levels. At the first level, most developing countries' macro-policy frameworks have a built-in bias towards large industries: a feature which can hamper the development of small- and medium-scale industries. Although many developing countries have continuously stressed the importance of small- and medium-scale industries, current policies and legislation have often made it impossible for those industries, unlike their counterparts in industrialized countries, to assume an important economic developmental role. Experience of technical cooperation projects aimed at strengthening small- and medium-scale industries has pointed up the difficulties of their development in an environment that is more conducive to large industries. Policy measures thus need to be backed by legislative instruments and financial schemes, as well as appropriate mechanisms and institutions that facilitate the growth of small industries and promote the development of entrepreneurship, thus increasing the number of competitive and capable entrepreneurs. To that end, the subprogramme coordinates with other organizational units in developing and implementing a comprehensive and integrated programme which focuses on incorporating small- and medium-scale industry policies and strategies in overall development plans and harmonizing macro-economic, fiscal, financial and other policies with incentive measures for those industries.

5.141. At the institutional level, developing countries face a series of problems when seeking to heighten the responsiveness of institutions and mechanisms towards supporting the private sector and small- and medium-scale industries. Institutions need to adapt to the changing requirements of the private sector, and of small- and medium-scale industries in particular, so as to be able to make their support capacities available to the fullest extent and to translate policy measures and guidelines into effective action.

The subprogramme also addresses specific institutional problems faced by the industry sector in developing countries, foremost among which is the lack of total quality management. It thus focuses on the need to establish and strengthen quality control, standardization and metrology institutions which are essential to enhancing product quality in increasingly competitive markets. Other problems addressed include weak links between R and D and industry, as well as the lack of industrial information, data and institutional support needed for effective industrial promotion.

5.142. At the enterprise level, small- and medium-scale industries are handicapped by the fact that they do not enjoy access to resources and/or information that would enable them to seize opportunities for growth. The major constraints confronting private sector entrepreneurs in their endeavours to bring about effective improvements in productivity and product quality are the lack of modern management techniques, insufficient knowledge of markets and marketing strategies and low levels of process and product technology, as well as limited access to finance.

Objectives

5.143. The objectives of the subprogrammes address a broad range of problems at the three levels indicated above in an interrelated manner. Its primary objective is to contribute to creating and sustaining an environment conducive to the growth of the private sector and small- and medium-scale industries by supporting the development and implementation of macro-policies and programmes that optimize the contribution of small- and medium-scale industries to the balanced development of the industry sector. Closely linked to that objective, the subprogramme aims at developing demand-oriented institutional mechanisms that provide services to and complementary resources for industry, such as finance, technology, R and D, information, management and marketing. As its third objective, the subprogramme lends support to individual enterprises in their modernization process by enhancing entrepreneurship, upgrading technology, improving productivity and facilitating access to resources and markets.

Output and activities

5.144. In contributing to the development of an enabling environment, the subprogramme will provide advice on policies and strategies with a view to enabling Governments to assume a more active role in the promotion of the private sector and small- and medium-scale industries. It will also draw up an organization-wide programme for rural industrial development based on an assessment of the current policy environment for rural industry development, especially in the context of poverty alleviation and non-farm employment creation, in the context of the mandate of the ACC Task Force on Rural Development. It will work on global policy perspectives and programme frameworks as well as draft guidelines and operational manuals to support private sector-oriented programmes, such as entrepreneurship development and privatization strategies, as well as the networking efforts of entrepreneurial groups and associations. It will also contribute to the establishment of mechanisms for enhancing industrial cooperation between enterprises on a North-South and/or South-South basis by identifying measures to support the efforts of entrepreneurs to expand their markets and improve productivity.

5.145. Within the institutional context, the subprogramme will provide advice on and technical cooperation in improving institutional infrastructure and extension services for small- and medium-scale industries and micro- and rural industries. In particular, it will promote new and innovative forms of addressing current trends and demands, and guidelines will be developed for improving the demand-orientation and efficiency of small industry development institutions, infrastructure and extension services so that they might become progressively self-sustaining. It will also promote financial schemes adapted to the particular conditions of small-scale industries, such as equity participation. credit guarantee and hire-purchase schemes, and strengthen institutional capabilities for the implementation of those schemes. Based on its technical cooperation experience, the subprogramme will contribute to the development of guidelines and directives for establishing and managing export processing zones, industrial estates, small enterprise centres, business incubators and technology parks. The UNIDO publication on industrial estates will be updated in the course of the biennium. The subprogramme will also advise industry and industry-related institutions on policy measures and operational instruments for establishing and administering subcontracting exchanges, including those related to the efficient functioning of those institutions and the promotion of international industrial partnership agreements. A manual on industrial subcontracting and partnerships will be published during the biennium and an expert group meeting will be held on the same subject.

5.146. In the same context, the subprogramme will be involved in operational activities in support of national standards bodies, metrology institutes, quality associations and training institutes related to: (a) total quality management (TQM), quality systems, product certification and marking; (b) standardization in the full sense of integrated functions; and (c) metrology in all its major aspects. It will contribute to the establishment or strengthening of R and D institutes and high-technology companies through the development of concepts and/or implementation of pilot projects to strengthen operational links between research and industrial activities and ensure effective commercialization of R and D findings. The subprogramme will also contribute to establishing industrial information centres to provide services to industry, particularly to small- and medium-scale industries, including the establishment of national information networks linked to research centres.

5.147. At the enterprise level, the focus will be on entrepreneurship development programmes with a view to improving entrepreneurial capabilities and networking with institutions so as to bring about techno-economic modernization. It thus follows that many of the outputs and activities undertaken in relation to the other two levels also find direct application at this level.

5.148. The outputs produced and activities carried out will be in two categories: (a) project/programme management by the staff attached to the subprogramme; (b) direct technical advisory/consulting services provided at the stages of design, operationalization and implementation of programmes and projects. The principle of total quality management will also be applied to all technical cooperation projects, including those related to small industry development, to benefit policy makers, promotional agencies, industrial associations and individual entrepreneurs who, together with the unemployed, marginalized and/or youth in urban and rural areas, are the main target groups.

Coordination

5.149. Within the Organization and at the programme/project level, the subprogramme will draw on macro-economic analytical inputs from subprogramme 531, Industrial Strategies and Policies, and subprogramme 342, Regional and Country Studies, so as to secure a basis on which it can determine the extent to which economic factors facilitate or inhibit the development of small- and medium-scale industries. It will also coordinate closely with subprogramme 533, Industrial Management and Rehabilitation, on matters relating to specific problems at the enterprise level. In respect of programme and project development, coordination will be maintained with major programme 300, in particular programme 330, Area Programmes, and major programme 400, in particular programme 420, Industrial Investment. Policy coordination at the organizational level will be effected by the subprogramme in its function as focal point for small- and medium-scale industries. On an organization-wide basis, the subprogramme will also pursue the concept of team-building as an effective means of delivering comprehensive and integrated substantive advisory services.

5.150. The subprogramme will also seek to draw on the resources and know-how available in R and D institutions in Europe, the United States and Asia, in international societies and industry associations as well as in institutions dealing with standardization, quality control and metrology.

5.151. At the interagency level, coordination will be maintained with other United Nations agencies concerned with small- and medium-scale industries (for which the subprogramme is focal point) and rural development (with subprogramme 534 representing UNIDO on the ACC Task Force on Rural Development). The subprogramme is also involved in the ILO INTERMAN (International Management Development Network) project which includes an interagency task force for entrepreneurship development.

Resource requirements

5.152. Responsibility for producing and coordinating the output and activities will be assumed by the staff attached to the subprogramme, the strength of which has been reduced by one Professional post and two General Service posts funded from the operational budget. Consultant funds ($89,700) will be required in connection with: (a) preparation of technical inputs and documentation on issues related to the contribution of industry to rural development ($34,300); (b) the update of the UNIDO industrial estate publication reflecting new forms of infrastructure for industrial development ($20,000); and (c) the elaboration of policy perspectives and programme frameworks pertaining to privatization and entrepreneurship ($11,400). Consultancy services will also be drawn on for the preparation and completion of the manual on industrial subcontracting and partnerships ($24,000). An expert group meeting ($28,000) will be held to analyse operational experience and validate new approaches related to industrial subcontracting and partnerships. Travel resources ($67,800) will be required to fund programme and project-related travel not covered by project funds, as well as to finance attendance at interagency and international technical meetings.

5.153. Printing funds ($35,000) are also required in connection with the publication on industrial estates ($10,000), technical papers/studies for the ACC Task Force on Rural Development ($10,000) and the manual on industrial subcontracting ($15,000).

Resource increases/decreases

5.154. Regular budget resources show a decrease of $7,300 and the operational budget a decrease of $500,800. The regular budget decrease is the net result of an increase in consultant funds ($18,300) and travel funds ($9,800) that has been offset by a decrease in meeting ($29,900) and printing funds ($5,500). The operational budget decrease relates to redeploying one P-3 post ($172,200) to subprogramme 531, Industrial Strategies and Policies, abolishing two General Service posts ($207,200) and reducing consultant ($55,600), meeting ($19,100) and travel funds ($46,700) to zero. The total resource decrease under this subprogramme amounts to $508,100.

Major Programme: 500 INDUSTRIAL OPERATIONS
Programme: 530 Industrial Institutions and Services
Subprogramme: 533 Industrial Management and Rehabilitation

1994-1995 resource requirements
(In thousands of dollars, at 1993 rates)

Regular and operational budgets

	Staff Prof. wy/ms	GS/Other wy/ms	Cost	Consult.	Meetings	Travel	Other	Total	Previous biennium 1992-1993
RB	18/0	8/0	2,170.0	11.0	0.0	10.0	7.5	2,198.5	2,883.4
OB	0/0	4/0	207.2	0.0	0.0	0.8	0.0	208.0	425.1
Total	18/0	12/0	2,377.2	11.0	0.0	10.8	7.5	2,406.5	3,308.5

Subprogramme description

Introduction

5.155. The main thrust of the subprogramme is towards improving the management of industrial enterprises in developing countries and supporting their rehabilitation efforts, the ultimate aim being to assist in establishing a self-sustaining foundation of managerial know-how and skills in the industrial environment of developing countries. Emphasis is placed on developing and implementing commercially viable business plans for restructuring industrial enterprises as well as optimizing the use and allocation of resources. The subprogramme provides an integrated package of assistance addressing related issues such as upgrading or acquisition of managerial and production skills, utilization of computer-based management information systems, decision-aids for industrial management functions and improved management consulting capability. It thus follows that the subprogramme concentrates on two priority areas identified in the medium-term plan, industrial rehabilitation and modernization, and human resource development, which constitute the core of its activities. The subprogramme has undergone reconfiguration following the reassignment to subprogramme 521, Agro-based Industries, of the staff complement dealing with the wood and wood-processing industries.

Problems addressed

5.156. Industrial management and rehabilitation problems arise at three distinct levels. At the enterprise level the problems most commonly found in developing countries are: difficulties in management and organizational structures; inexperienced middle and top management; irrational product mix and poor design that fail to meet domestic and export market needs; poor or no industrial engineering; obsolete plant facilities; and lack of knowledge of the latest managerial and engineering techniques. At the subsectoral level the constraints on industries in developing countries are: poor costing and financial reporting, as well as a lack of financial and accounting standards; failure to recognize planned maintenance as a productivity tool; the inefficient use of energy; as well as quality deficiencies. At the policy level developing countries lack appropriate national policies for rehabilitation and modernization at the sectoral, subsectoral, institutional and enterprise levels, as well as the mechanisms necessary to support activities aiming at industrial development. The subprogramme's work is primarily directed towards the first two levels.

Objectives

5.157. The objective of the subprogramme is to contribute to enhancing the financial and technical performance of industrial enterprises (public and private) through the provision of technical services in the field of industrial management. The subprogramme aims at improving productivity and production processes, ensuring optimum profitability, enhancing quality and facilitating adjustment to new market segments, as well as upgrading organizational, operational and managerial capabilities that can respond effectively to changing and challenging conditions external to individual enterprises.

Output and activities

5.158. The primary output of the subprogramme will consist of improved enterprise operations, either at the individual enterprise level or at the subsectoral level. That output will be achieved by means of technical cooperation projects and direct advisory services, in the course of which the subprogramme will endeavour wherever possible to achieve a multiplier effect benefiting the industrial sector as a whole. A key feature of the subprogramme's approach will be the linking of sector-wide rehabilitation strategies drawn up by and in conjunction with other subprogrammes such as 531, Industrial Strategies and Policies, and 342, Regional and Country Studies, to micro-level analyses of enterprises and their modernization potential, while emphasizing the business performance of the enterprises. Attention will be paid not only to issues at the enterprise level, but also to countries' priorities at the subsectoral level. Given the scale of many rehabilitation and modernization programmes, other organizational units, such as those in programme 520, will be involved and provide the requisite technical expertise, with the subprogramme assuming an important coordinating role in addition to providing direct assistance.

5.159. Over and above the direct technical cooperation projects, other activities will be undertaken in order to secure the desired multiplier effect and optimize outputs. These include: the introduction of plant-level computer-based management information systems; decision aids for industrial management decision-making; manuals and training materials on issues connected with industrial rehabilitation and industrial consultancy. During the biennium one manual will be prepared on computer applications in management, and a second one published on enterprise diagnostics and turn-around techniques. Both manuals will provide entrepreneurs, managers and consultants in developing countries with a technical tool to improve and modernize plant operations.

5.160. Under the new UNDP successor arrangements, some 70 per cent of the subprogramme's staff resources will be devoted to project management and some 20 per cent to direct advisory services. Some 10 per cent of the subprogramme's staff resources are devoted to supporting programmes implemented by other organizational units, particularly in the area of rehabilitation.

Coordination

5.161. Given the integrated approach adopted by the subprogramme, emphasis is placed on the joint implementation of projects with other subprogrammes and the combination of efforts; close coordination will thus be maintained with all subprogrammes in programme 530. Specialized inputs will also be needed from programme 520, Industrial Operations Technology, as well as from subprogramme 342, Regional and Country Studies. Ties will be maintained with other United Nations organizations, in particular the regional commissions, FAO, ITC and UNESCO, as well as with Governments and institutions working in related fields. Efforts will be maintained to strengthen cooperation with the World Bank and regional development banks, such as ASDB, while cooperation will be maintained with non-governmental organizations on a global or project basis.

Resource requirements

5.162. Responsibility for producing and coordinating output will be assumed by the staff attached to the subprogramme the strength of which has been reduced by two Professional and two General Service posts devoted to wood and wood-processing industries following their redeployment to subprogramme 521, Agro-based Industries. Consultant resources ($11,000) will be required to review and finalize a manual on enterprise diagnostics and turn-around techniques designed to assist developing countries in diagnosing managerial and rehabilitation problems and in selecting appropriate solutions. Printing funds ($7,500) will also be required to cover the cost of publishing the manual on enterprise diagnostics and turn-around techniques. Travel funds will be required under both the regular ($10,000) and operational ($800) budgets to enable staff to attend professional meetings and undertake project development missions, particularly in coordination with bilateral donors, in the field of rehabilitation.

Resource increases/decreases

5.163. The regular budget shows a decrease of $684,900 and the operational budget a decrease of $217,100. The regular budget decrease is related to the redeployment of one P-5 ($232,400), one P-4 ($199,400) and two General Service posts ($207,200) to subprogramme 521: a total decrease in staff resources of $639,000. Other decreases under the regular budget are consultants ($8,200), ad hoc expert group meetings ($24,900), travel ($8,100) and printing ($4,700). The operational budget decrease is due to abolishing one P-3 post ($172,200) and reducing consultant ($17,000) and meeting funds ($8,300) to zero. Travel resources have also decreased by $19,600. The total resource decrease under this subprogramme amounts to $902,000.

Major Programme: 500 INDUSTRIAL OPERATIONS
Programme: 530 Industrial Institutions and Services
Subprogramme: 534 Office of the Director

1994-1995 resource requirements
(In thousands of dollars, at 1993 rates)

Regular and operational budgets

	Staff Prof. wy/ms	Staff GS/Other wy/ms	Cost	Consult.	Meetings	Travel	Other	Total	Previous biennium 1992-1993
RB	4/0	4/4	718.3	0.0	0.0	25.6	0.0	743.9	739.2
OB	0/0	2/0	103.6	0.0	0.0	0.0	0.0	103.6	115.8
Total	4/0	6/4	821.9	0.0	0.0	25.6	0.0	847.5	855.0

Subprogramme description

Introduction

5.164. As indicated by its title, the subprogramme is responsible for directing, coordinating and integrating activities facilitating the promotion and development of industry, carried out under the three component subprogrammes (531, 532 and 533). It ensures close coordination with the other programmes in major programme 500 and with other programmes throughout the Organization. The subprogramme also liaises with external organizations and institutions whose work is relevant to that of the programme.

5.165. In addition, the subprogramme ensures efficient management of subordinate subprogrammes in terms of adherence to procedures, rules and regulations, management of staff resources, control of expenditure on regular budget funds, and timely implementation of technical cooperation and support activities.

Problems addressed

5.166. The immediate problem confronting the subprogramme is that of ensuring the smooth and effective operation of the programme, thereby assuring the efficient delivery of development services in an environment characterized by rapid change not only in terms of socio-economic development but also in terms of the services expected of the Organization. Closely allied to that are the administrative problems related to ensuring effective coordination and mobilizing resources which demand clear instructions and adherence to procedures. The substantive problems stem from the increasing complexity of technical cooperation activities that call for the development of a truly integrated approach, team formation, timely responses and efficient programme/project design and implementation. The subprogramme has to address the problem of ensuring coordination and consistency of activities carried out by the subordinate subprogrammes within the programme as a whole, including TSS-1 activities and other aspects of the successor arrangements for agency support costs.

Objectives

5.167. The objective of the subprogramme is to ensure the efficient management of the technical cooperation activities of the programme, and their effective coordination and integration with the quantitative and qualitative objectives of the Organization, while ensuring the optimal contribution of the three adjunct subprogrammes to those objectives. It also seeks to identify new areas of technical cooperation for incorporation into the activities of the programme. Furthermore, it takes the lead in facilitating the promotion and development of new approaches with concurrent management of the programme's resources for achievement of best organizational results in matching the challenges of technical cooperation requests with competent responses of the programme.

Output and activities

5.168. The output of the subprogramme is reflected in the performance of the subprogrammes it manages. The subprogramme supports, strengthens and guides the component subprogrammes, in order to meet established organizational and major programme targets. It establishes procedures and provides directions to the component subprogrammes so as to overcome operational and other problems and ensure full implementation of technical cooperation and other activities undertaken by the programme. It also supplies senior management with support data for decision-making derived from the analysis of available data and observations during the implementation of the programme's activities. By means of analysis of technical cooperation reports and activities, studies and attendance at specialized forums, the programme also identifies new areas of technical cooperation and other activities of potential interest to the programme. Through participation in UNIDO internal task forces and working groups and involvement in the Organization's policy-making process, the subprogramme is able to assess future demand for its services and so plan the optimal utilization of the programme's human and financial resources. It represents the Deputy Director-General and the Director-General at their request at meetings, conferences and other internal and external gatherings.

Coordination

5.169. Close coordination will be ensured with UNDP as well as all programmes within major programme 500 and other major programmes, especially in matters related to small-scale industries. As the UNIDO focal point for rural development, the subprogramme will represent the Organization in the ACC Task Force on Rural Development and related bodies. At the interagency level, the subprogramme will also maintain liaison with FAO, ILO and other agencies active in the ACC Task Force on Rural Development. At the major programme level, the subprogramme also assumes responsibility for liaison with the UNESCO institutional network, thus facilitating communication on related matters both within UNIDO and at the interagency level.

Resource requirements

5.170. The core staff in the subprogramme will be maintained at the same level as in the previous biennium maintaining its capacity to identify problems and determine viable/remedial solutions quickly. The managerial and coordinative functions of the subprogramme will be exercised by a staff complement comprising two Professional posts (one at the Director level) with the support of three General Service posts (one at the principal level).

5.171. Travel resources ($25,600) are required to enable the subprogramme staff to participate in trouble-shooting missions and programme development missions as well as to attend interagency meetings such as the ACC Task Force on Rural Development. Resources are also required for general temporary assistance ($10,200) and overtime ($4,100).

Resource increases/decreases

5.172. Regular budget resources show an increase of $4,700 and the operational budget a decrease of $12,200. The regular budget increase is directly related to the increase in travel resources. The operational budget decrease is related to a reduction of travel funds to zero. The total resource decrease under this subprogramme amounts to $7,500.

Major Programme: 500 INDUSTRIAL OPERATIONS
Programme: 540 Industrial Operations Support

1994-1995 resource requirements
(In thousands of dollars, at 1993 rates)

Regular and operational budgets

	Staff								
	Prof. wy/ms	GS/Other wy/ms	Cost	Consult.	Meetings	Travel	Other	Total	Previous biennium 1992-1993
RB	28/0	24/3	4,068.9	77.0	52.0	74.5	74.2	4,346.6	4,230.7
OB	14/0	116/0	7,600.2	0.0	0.0	0.0	0.0	7,600.2	8,570.8
Total	42/0	140/3	11,669.1	77.0	52.0	74.5	74.2	11,946.8	12,801.5

By subprogramme

	Staff								
	Prof. wy/ms	GS/Other wy/ms	Cost	Consult.	Meetings	Travel	Other	Total	Previous biennium 1992-1993
541 Industrial Human Resource Development	16/0	36/0	3,503.4	56.0	52.0	33.0	36.7	3,681.1	3,667.8
542 Project Personnel Recruitment and Administrative Service	22/0	100/1	7,529.1	21.0	0.0	17.7	37.5	7,605.3	8,266.1
543 Office of the Director	4/0	4/2	636.6	0.0	0.0	23.8	0.0	660.4	867.6
Total	42/0	140/3	11,669.1	77.0	52.0	74.5	74.2	11,946.8	12,801.5

Programme description

Development objectives

5.173. As the component of the major programme providing substantive training inputs and operational and administrative support to the other two programmes, the programme aims at: (a) promoting the development of human resources in support of industry by linking this activity to the development and transfer of technology and by strengthening institutions, developing and advising on training strategies, policies and methodologies and conducting national and international training programmes, particularly in the context of the industrial restructuring process in the developing countries; and (b) responding effectively and in a timely manner to the increasing need for highly specialized personnel in support of industry in the developing countries.

Relationship to medium-term plan priorities

5.174. The programme responds in varying ways to all five priority themes of the medium-term plan, in particular human resource development. As mentioned in the medium-term plan, the response of the programme to this priority theme takes the following forms: (a) training policy makers in developing countries in the methodologies and approaches to industry-specific policy analysis and plan formulation; (b) training trainers and training managers so as to upgrade the quality of training in industry; (c) improving the capabilities of industrial training institutions through close collaboration with industrial training centres, R and D institutions, universities and other specialized organizations providing training services; and (d) organizing and conducting specific training activities on a group or individual basis for key managerial and technical personnel of industry in partnership with Governments as well as the private sector.

5.175. As stated in the medium-term plan, the programme will also expand the expert roster system with a view to accommodating the need for specialized expertise in increasingly sophisticated industrial technological and managerial disciplines while continuing to improve the efficiency of project personnel recruitment and placement procedures.

New features

5.176. The new features of the programme are determined to a large extent by the changing modalities of technical cooperation resulting from the UNDP successor arrangements and the need to focus the activities of the programme on its areas of comparative advantage. The programme will thus place particular emphasis on the development and provision of training methodologies and approaches for training in industry, as well as on the training of trainers. A key feature of those activities is the development and transfer of new and appropriate technologies to developing countries through human resource development.

Variation over the previous biennium

5.177. The major change in the programme is the transfer of the Feasibility Studies to programme 420, Industrial Investment, in order to concentrate the Organization's investment-related activities within one programme. Another variation over the previous biennium relates to the strengthening of the capacity of the programme to render project personnel and industrial training support services for UNDP financed programmes and projects under national execution and assigned to UNIDO as implementing agency.

Major Programme: 500 INDUSTRIAL OPERATIONS
Programme: 540 Industrial Operations Support
Subprogramme: 541 Industrial Human Resource Development

1994-1995 resource requirements
(In thousands of dollars, at 1993 rates)

Regular and operational budgets

	Staff Prof. wy/ms	Staff GS/Other wy/ms	Cost	Consult.	Meetings	Travel	Other	Total	Previous biennium 1992-1993
RB	10/0	12/0	1,564.2	56.0	52.0	33.0	36.7	1,741.9	1,530.2
OB	6/0	24/0	1,939.2	0.0	0.0	0.0	0.0	1,939.2	2,137.6
Total	16/0	36/0	3,503.4	56.0	52.0	33.0	36.7	3,681.1	3,667.8

Subprogramme description

Introduction

5.178. The subprogramme is directed towards developing, coordinating and enhancing the activities of UNIDO in the area of human resource development which is a priority theme of the medium-term plan. It develops industrial training policy, concepts and methodologies for UNIDO executed operational activities. It also provides substantive training inputs to the design and implementation of the training component of technical cooperation programmes and projects. Finally, it organizes and undertakes training in various fields of industry on a group or individual basis.

Problems addressed

5.179. A major constraint in the industrialization of developing countries is the inadequate pool of skilled human resources needed to adapt and restructure their economies in the context of changing world conditions. In many cases, this stems from the absence of well-defined policies, strategies and methodologies for the development of human resources for industry. At the same time, analyses of industry-specific training requirements are often lacking. Once those requirements are known, the problem is to conduct the required industrial training on a sustained and systematic basis. Thus, there is a need to strengthen existing training, educational and development institutions to supply the manpower requirements of industry.

Objectives

5.180. The subprogramme aims to increase the supply of skilled human resources needed for the industrial development of the developing countries by: (a) providing advice on appropriate policies, strategies and methodologies; (b) enhancing the capabilities of industrial training and educational institutions serving the needs of industry; (c) developing and disseminating training materials, manuals and documentation; and (d) designing and implementing training programmes and activities for groups and individuals, particularly for trainers in selected fields of industry. In the context of the subprogramme's objective, the word "training" is understood in its wider sense involving not only the transfer of skills but also the promotion and development of such essential human capacities as innovation, R and D as well as managerial skills.

Output and activities

5.181. The subprogramme will continue to: assess and analyse training needs at national, regional, and sectoral levels; collect, update and analyse relevant information and data for policy and strategy formulation related to human resource development; provide the necessary training for national staff involved in policy-making with regard to industrial human resource development; develop and review the approach of UNIDO and the training methods and techniques it adopts for conducting its training programmes; and produce appropriate training materials to be used for such priority areas as privatization, agro-industry, small-scale industries, industrial repair and maintenance, woodworking and environment. It will continue to conduct training programmes for trainers and training managers from training institutions and industrial enterprises, providing them with the conceptual and methodological tools they need to design, implement and evaluate training programmes for technical and managerial personnel from developing countries.

5.182. An expert group meeting on policies, strategies and planning for industrial human resource development will be organized in cooperation with relevant units in the Secretariat. This expert group meeting aims at identifying measures to support national and regional efforts to undertake industrial human resource development programmes and projects.

5.183. The subprogramme will also hold a second expert group meeting on the appropriate methodology and approaches for industrial human resource development. The meeting will attempt to provide trainers from developing countries with the conceptual and methodological tools they need to design, implement and evaluate training programmes for technical and managerial industrial personnel.

5.184. The subprogramme will continue to identify, analyse and assess training capacities and capabilities of existing training facilities and institutions to meet identified needs and formulate appropriate training programmes for their improvement. It will continue to establish a network system and/or twinning arrangements in specific areas among institutions from developed and developing countries for the transfer of know-how through, inter alia, exchange of information, training materials/curricula as well as of trainers and training managers.

5.185. In view of budgetary constraints, the subprogramme will reinforce its support to organization-wide efforts to identify potential extrabudgetary sources of funding while helping to facilitate cooperation between industrialized and developing countries and among developing countries themselves for the development of appropriate training programmes. It is estimated that about 80 group training programmes (seminars, workshops, in-plant and other group training) will be implemented during the biennium.

5.186. The subprogramme will take into full consideration the UNDP successor arrangements by providing the necessary substantive training inputs and activities to UNDP financed technical cooperation projects in the field of industry, and for specially designed industrial human resource development programmes and projects. It is expected that the subprogramme will be asked less frequently to place fellows, but more often to provide information on where and how to place them. The subprogramme will thus have to enlarge its information base on the network of institutions offering training to assist the developing countries in the choice of the most suitable training facilities. Every effort will be made to issue the Guide to Training Opportunities for Industrial Development despite the financial constraints. It is estimated that about 3,600 fellowships and study tours will be organized during the biennium.

Coordination

5.187. In carrying out the above activities, the subprogramme will cooperate closely with the relevant programmes and subprogrammes throughout the Organization, in particular, programme 520, Industrial Operations Technology, programme 530, Industrial Institutions and Services, programme 330, Area Programmes, programme 350, Industrial Cooperation and Funds Mobilization, and subprogramme 342, Regional and Country Studies. In connection with its group training activities the subprogramme will seek the cooperation of industrial institutions, governmental and semi-governmental bodies, chambers of commerce and industry, employers' associations, trade unions, federations of industry, associations for training and development as well as engineering associations. It will also consult training institutions as well as placement agencies. Furthermore, it will consult and maintain contacts with ILO, OECD, UNDP, UNESCO, the World Bank and the regional commissions.

Resource requirements

5.188. Responsibility for coordinating and producing the output and activities will be assumed by the staff assigned to the subprogramme. As a reflection of the level of responsibilities and increasing complexity of the subprogramme's operations, particularly after the introduction of the UNDP successor arrangements, one P-4 post under the operational budget has been redeployed from subprogramme 522, Chemical Industries. In order to cope with the heavy workload in fellowships training, two General Service posts have been redeployed from other subprogrammes in major programme 500. One regular budget P-2 and two operational budget Professional posts (P-2 and P-3) have been abolished. Consultant resources ($56,000) will be required to assist in the preparation of the necessary issue papers and related documents for the two expert group meetings envisaged in the biennium. Resources are required for expert group meetings on policies, strategies and planning for industrial human resource development ($26,000) and on the appropriate methodology and approaches for industrial human development ($26,000). Travel resources ($33,000) are required to cover programming, monitoring and ad hoc missions for the development of policies and strategies in industrial human resource development and for technical cooperation activities, as well as for negotiations with national and supervising agencies concerning placement of fellows and for evaluation purposes. Printing costs ($36,700) are provided in order to publish the Guide to Training Opportunities for Industrial Development and fellowship forms, questionnaires and other training literature issued by the subprogramme.

Resource increases/decreases

5.189. The regular budget shows an increase of $211,700 and the operational budget a decrease of $198,400. The regular budget increase is due to the redeployment of two General Service posts ($207,200) from subprogrammes 512 and 513, offset by the abolition of one P-2 post ($133,800) (resulting in an increase in staff costs of $73,400) as well as to an increase in consultant ($36,800), meeting ($52,000), travel ($26,000) and printing resources ($23,500). The operational budget decrease is due to the abolition of one P-2 ($133,800) and one P-3 ($172,200) posts, offset by the redeployment of one P-4 post ($199,400) from subprogramme 522 (resulting in a net decrease of $106,600) as well as to a reduction to zero of general temporary assistance ($15,500), consultant ($6,400), travel ($37,100) and printing resources ($32,800). The total resource increase under this subprogramme amounts to $13,300.

Major Programme: 500 INDUSTRIAL OPERATIONS
Programme: 540 Industrial Operations Support
Subprogramme: 542 Project Personnel Recruitment and Administrative Service

1994-1995 resource requirements
(In thousands of dollars, at 1993 rates)

Regular and operational budgets

	Staff								Previous
	Prof. wy/ms	GS/Other wy/ms	Cost	Consult.	Meetings	Travel	Other	Total	biennium 1992-1993
RB	14/0	8/1	1,868.1	21.0	0.0	17.7	37.5	1,944.3	1,959.1
OB	8/0	92/0	5,661.0	0.0	0.0	0.0	0.0	5,661.0	6,307.0
Total	22/0	100/1	7,529.1	21.0	0.0	17.7	37.5	7,605.3	8,266.1

Subprogramme description

Introduction

5.190. The subprogramme is responsible for identifying, recruiting and administering qualified international and national professional experts and support staff for UNIDO projects. In line with the priorities established in the medium-term plan 1994-1999, it is essential that improved recruitment of experts and consultants is ensured and that such services respond to the highest standards of administrative efficiency, flexibility and professional quality of the experts recruited.

Problems addressed

5.191. In carrying out its mandated activities, UNIDO can continue to expect the need for large numbers of international and national experts mostly for short- but also for intermediate-term assignments in many different, often specialized and sophisticated technological or economic/managerial disciplines. In particular, the call for increased reliance on national professional project personnel as a form of national capacity-building of developing countries will have to be addressed. Nevertheless, as before, recipient countries continue to expect UNIDO to put at their disposal international experts of recognized professional calibre with communication skills for maximum transfer of knowledge.

5.192. The changing priorities of the developing countries in technical cooperation projects and programmes and the full commitment of UNIDO to respond effectively to their needs will require special efforts to develop new modalities and arrangements needed to overcome the problems created by a tight market for high-quality international experts, with regard to conditions of experts' employment.

Objectives

5.193. The objectives of this subprogramme are to identify, recruit and administer the international and national professional project personnel and locally recruited support staff for programmes and projects executed by UNIDO in line with execution and implementation modalities applicable to the technical cooperation projects financed from various sources. Thus the subprogramme's services will become an integral part of the contribution of UNIDO to administrative and operational services for nationally executed projects financed by UNDP, in addition to the subprogramme's conventional functions for UNIDO implemented programmes and projects funded from non-UNDP resources. In recruiting project personnel, the highest possible quality of expertise in line with the terms of reference/job descriptions for expert positions and speedy response to recruitment requests have to be achieved.

5.194. Another important objective is to achieve efficient and impartial administration of serving project personnel. This relates directly to the conditions of work of experts which would have a bearing on the quantity and quality of the project delivery of UNIDO.

Outputs and activities

5.195. The activities of the subprogramme are geared towards attaining the objectives by upgrading the international roster of candidates for the staffing of projects executed by UNIDO including those for which UNIDO will act as designated agent for administrative and operational support services.

5.196. Further outputs and activities will include the administration of experts according to the Staff Regulations and Staff Rules and the contractual arrangements applicable to special service agreements, reimbursable loan agreements and service agreements (for national experts) to ensure the proper management of project personnel. The subprogramme will recruit and administer all the local support staff for technical cooperation projects. It will undertake interview missions and recruitment campaigns designed to identify new sources of readily available candidates.

5.197. The activities and output of the subprogramme will depend largely on the value of the project personnel component of the technical cooperation project and activities of UNIDO, the nature of the projects implemented directly by UNIDO as well as on the progress of the national execution and implementation of UNDP funded projects. Despite the expected slow-down in overall technical cooperation delivery, it is anticipated, on the basis of past experience with nationally executed projects, that a larger proportion of that delivery will be accounted for by project personnel.

5.198. It is therefore likely that over the period 1994-1995, approximately 5,000 to 6,000 experts will be appointed, of which an increasing share will be for teams of specialists employed for large-scale trust fund projects. Approximately 20 to 30 per cent of all experts recruited will be national experts. Some 300 General Service support staff members will be recruited locally. A corresponding number of experts and support staff will require personnel administration services. The number of work-months implemented by project personnel is expected to reach 26,000 for the biennium. The higher number of work-months is not accompanied by the same growth in dollar terms because of the relatively low remuneration received by national experts and experts under special contractual conditions for large trust fund projects.

5.199. During the biennium 1994-1995, efforts to make the UNIDO roster of experts and sources of recruitment more responsive to the future needs of technical cooperation will continue. The expansion of national execution of projects will require a further improvement of the roster in order to enable UNIDO to fully meet the expected requests from the national counterparts and making it, to some degree, an income-generating activity.

Coordination

5.200. All activities require close internal coordination between the subprogramme and substantive backstopping departments and project managing officers as well as external contacts between the subprogramme and all sources of recruitment (national recruitment services, universities, companies, etc.), recipient Governments, donors and funding agencies such as UNDP. Coordination with ACC machinery, ICSC and sister organizations is required for employment conditions relevant to the United Nations common system (CCAQ). There will be a considerable increase in coordination in all cases where UNIDO acts as only one of several implementing agents for clusters of services for nationally executed UNDP projects.

Resource requirements

5.201. Responsibility for coordinating and producing the output and activities will be assumed by the staff assigned to the subprogramme. The introduction of an integrated project personnel computer system and an internal reorganization in the subprogramme's work have made it possible to effect post reductions: three Professional (RB one P-2 and OB two P-3) and two operational budget General Service posts. At the same time, owing to the increased supervisory responsibility and complexity of work resulting from the merger of previously separate functions within the subprogramme and the need to apply a high level of professional judgement, initiative and flexibility in carrying out project personnel support services, the upgrading of two Professional posts is required. These new demands result from the diversification of sources of funding for which numerous and detailed negotiation are required in order to identify the expertise and recruitment modalities that best fit the various projects. Standard procedures for expert recruitment under the previous UNDP modalities will have to be modified and replaced by tailor-made arrangements.

5.202. Consultant resources ($21,000) are required to perform the following: one work-month of consultant resources will be devoted to revising and updating the Handbook for UNIDO Field Staff and the PRAS Manual in accordance with the changing requirements and modalities of technical cooperation. Two work-months of consultant time will provide improvements in forecasting the type of professional expertise to be recruited according to foreseeable project requirements and in updating the composition of the roster. Travel resources ($17,700) will be required for the staff to: (a) participate in international meetings with national recruitment services and in meetings of CCAQ (PER) on conditions of employment of experts and other related matters; (b) identify sources of expert recruitment, interview candidates for senior expert positions and for roster purposes and establish cooperation with national recruitment services;

(c) review on-site working and living conditions, problems in implementing the experts component and performance of experts and coordination with UNDP Resident Representative, UCDs, project counterparts and government agencies; and (d) negotiate with major IPF recipient countries the modalities for cooperation in implementing expert-related support services for nationally executed projects.

5.203. An allocation for printing ($37,500) is provided in order to cover costs of printing the status of recruitment and vacancy lists, re-issuing the PRAS Manual and reproducing forms such as contracts, circulars, information on living conditions in all duty stations and other statutory material. Overtime resources ($4,100) are required for unforeseen short-term workload extremes in the subprogramme.

Resource increases/decreases

5.204. The regular budget shows a decrease of $14,800 and the operational budget a decrease of $646,000. The regular budget decrease is due to the abolition of one P-2 post ($133,800), offset by the upgrading c (1 P-3 and 1 P-4) posts ($60,200), resulting in a $73,600 net decrease in staff resources. Consultant funds have increased by $21,000, overtime by $4,100, travel resources by $9,400 and printing costs by $24,300. The operational budget decrease is due to the abolition of two P-3 posts ($344,400) and two General Service posts ($207,200). Furthermore, consultant ($29,900), overtime ($6,800), travel ($24,900) and printing resources ($32,800) have been reduced to zero. The total resource decrease under this subprogramme amounts to $660,800.

Major Programme: 500 INDUSTRIAL OPERATIONS
Programme: 540 Industrial Operations Support
Subprogramme: 543 Office of the Director

1994-1995 resource requirements
(In thousands of dollars, at 1993 rates)

Regular and operational budgets

	Staff Prof. wy/ms	GS/Other wy/ms	Cost	Consult.	Meetings	Travel	Other	Total	Previou bienniu 1992-19
RB	4/0	4/2	636.6	0.0	0.0	23.8	0.0	660.4	741
OB	0/0	0/0	0.0	0.0	0.0	0.0	0.0	0.0	126
Total	4/0	4/2	636.6	0.0	0.0	23.8	0.0	660.4	867

Subprogramme description

Introduction

5.205. The subprogramme is responsible for directing, coordinating and integrating the activities of the two component subprogrammes (541 and 542) and to ensuring close coordination with the other programmes in major programme 500 as well as with other programmes and related activities in the Secretariat. The subprogramme ensures efficient management of staff resources to achieve high quality and timely delivery of the activities assigned, and control in terms of adherence to procedures, rules and regulations as wel as financial resources. The subprogramme also functions as the focal point for industrial human resource development activities in the Secretariat.

Problems addressed

5.206. The major problem confronting the subprogramme is that of ensuring the smooth and effective operation of the programme. This, in turn, will assure the efficient delivery to programmes throughout the Secretariat of the necessary substantive inputs, particularly in the area of industrial human resourc development as well as providing project personnel support services. Closely allied to the aforementione problem are the administrative problems related to ensuring effective coordination within the Secretariat and between the Secretariat and project executing agencies. Combined with the increasing difficulties of mobilizing resources as well as the increasing complexity of technical cooperation activities, these problems call for a more effective and comprehensive response to the demands placed upon the programme.

Objectives

5.207. The objective of the subprogramme is to ensure the effective management of technical cooperation and support activities of the programme, and their effective coordination and integration with quantitative and qualitative objectives of the Organization, while ensuring the effective contribution of the two component subprogrammes (541 and 542) to those objectives.

Output and activities

5.208. The output of the subprogramme is reflected in the performance of the subprogrammes it manages. The subprogramme guides the component subprogrammes, supports and provides the necessary inputs in order to achieve the established organizational and major programme targets. It establishes procedures and provides directions to the component subprogrammes so as to solve operational and other problems and ensures full implementation of technical cooperation and support activities undertaken by the programme. It also supplies senior management with proposals for decision-making based on the analysis of available data and observations during the implementation of the programme. By means of studies and in-depth analysis and attendance at specialized forums, it identifies and formulates approaches and ideas for priority areas of technical cooperation and other activities of potential interest to the Organization's policy-making process. The subprogramme is thus able to assess future demand for its services and plan the optimal utilization of the programmes human and financial resources. It represents the Deputy Director-General and the Director-General, at their request, at meetings, conferences and other internal and external gatherings.

Coordination

5.209. Coordination will be ensured with all subprogrammes within major programme 500 and other major programmes, especially in matters related to services provided by the training component (development of strategies, approaches, methodology; fellowships and study tours, group training programmes) and the recruitment of project personnel. In his capacity as the UNIDO focal point for the medium-term plan priority area related to human resource development, the head of the programme will review issues concerning human resource development, particularly the methodologies and approaches required to ensure an effective integrated UNIDO mechanism in this area. At the inter-agency level, coordination will be maintained with ILO, UNESCO, World Bank, and such bodies as the CCSQ (OPS) and CCAQ (PER), together with their subordinate working groups.

Resource requirements

5.210. The managerial and coordinative functions of the subprogramme are exercised by the head of the programme. The strength of the subprogramme has been reduced following the abolition of one General Service post under the operational budget. Travel resources ($23,800) are required to enable subprogramme staff to: attend meetings of United Nations bodies and other intergovernmental organizations so as to identify areas of joint activity, especially in the field of human resource development; strengthen cooperation between UNIDO, Governments and enterprises; and undertake project identification and programme development missions. Overtime funds ($5,900) have been allocated to cope with increased workloads arising from meetings, seminars and seasonal peak workloads.

Resource increases/decreases

5.211. The regular budget shows a decrease of $81,000, and the operational budget a decrease of $126,200. The regular budget decrease is due to decreases in general temporary assistance ($53,600), overtime ($5,500), travel ($8,700) and printing funds ($13,200). The operational budget decrease is the result of abolishing one General Service post ($103,600) and reducing travel resources ($22,600) to zero. The total resource decrease under this subprogramme amounts to $207,200.

Major Programme: 600 COMMON PROGRAMMES

1994-1995 resource requirements
(in thousands of dollars, at 1993 rates)

Regular and operational budgets

	Staff Prof. wy/ms	GS/Other wy/ms	Cost	Consult.	Meetings	Travel	Other	Total	Previo bienni 1992-1
RB	9/2	2/7	1,307.6	2,189.0	643.5	580.5	11,512.6	16,233.2	16,23
OB	0/0	0/0	0.0	0.0	0.0	0.0	0.0	0.0	
Total	9/2	2/7	1,307.6	2,189.0	643.5	580.5	11,512.6	16,233.2	16,23

By programme

	Staff Prof. wy/ms	GS/Other wy/ms	Cost	Consult.	Meetings	Travel	Other	Total	Previo bienni 1992-1
610 Regular Programme of Technical Cooperation	0/0	0/0	0.0	0.0	0.0	0.0	11,109.6	11,109.6	11,10
620 Industrial Development Decade for Africa	9/2	2/7	1,307.6	2,189.0	643.5	580.5	403.0	5,123.6	5,12
Total	9/2	2/7	1,307.6	2,189.0	643.5	580.5	11,512.6	16,233.2	16,23

Major programme description

Composition

6.1. The major programme comprises two cross-organizational programmes: Regular Programme of Technical Cooperation (610) and the Industrial Development Decade for Africa (620).

Basic aims

6.2. As mandated in Part B of Annex II of the Constitution of UNIDO, the regular budget shall also finan other activities heretofore financed out of Section 15 of the United Nations regular budget in the amoun of 6 per cent of the total of the regular budget in order to improve the effectiveness of the Organization's programme of work. The major programme is thus concerned with ensuring: (a) the effecti implementation of the regular programme of technical cooperation, which includes technical assistance activities related to the Industrial Development Decade for Africa (IDDA); and (b) the implementation of supplementary activities related to IDDA.

Interlinkage

6.3. By virtue of the fact that the implementation of both programmes within the major programme concern all organizational units in a variety of ways, it follows that a high degree of interlinkage is given between the implementing and supporting units. Particularly close interlinkage between the two programm arises from the fact that the technical cooperation activities related to one programme, the Industrial Development Decade for Africa, are carried out within the context of the other programme, the regular programme of technical cooperation.

6.4. The supplementary activities of the IDDA programme will focus on the provision of crucial support inputs to the implementation of the national and subregional programmes drawn up for the second Decade ranging from the elaboration of strategies and policies to the mobilization of financial and technical resources, through the preparation of packages and technical assistance projects that can be presented t donors and investors for implementation. There is thus a strong link between the supplementary activiti and the technical cooperation activities components of the programme. The technical cooperation activities will be directed towards the same goals and the same priority areas as the supplementary activities.

Major Programme: 500 COMMON PROGRAMMES
Programme: 610 Regular Programme of Technical Cooperation

1994-1995 resource requirements
(In thousands of dollars, at 1993 rates)

Regular and operational budgets

	Staff								
	Prof. wy/ms	GS/Other wy/ms	Cost	Consult.	Meetings	Travel	Other	Total	Previous biennium 1992-1993
RB	0/0	0/0	0.0	0.0	0.0	0.0	11,109.6	11,109.6	11,109.6
OB	0/0	0/0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total	0/0	0/0	0.0	0.0	0.0	0.0	11,109.6	11,109.6	11,109.6

Programme description

Development objectives

6.5. The development objective of the programme is defined in the Constitution of UNIDO: it is designed to improve the effectiveness of the Organization's programme of work in the field of industrial development. The activities funded under this programme in the amount of 6 per cent of the total of the regular budget shall strengthen the Organization's contribution to the United Nations development system (UNIDO Constitution, Annex II, part B). The main thrust of the programme is to ensure the effective implementation of the regular programme of technical cooperation in accordance with the medium-term plan priorities by adopting an approach that aims at achieving maximum complementarity with other sources of funding through optimal programming flexibility.

Relationship to medium-term plan priorities

6.6. The regular programme of technical cooperation relates to all priorities of the medium-term plan, especially mobilization of financial resources, since it enables the Organization to implement technical cooperation projects in each of the priority areas and also serves, in complementarity with other sources of funds, in particular with the general-purpose convertible segment of the Industrial Development Fund (IDF), as seed money to secure further extrabudgetary resources, which is especially important in the light of zero-growth budgets. This seed money concept is a prominent feature of the projects funded under this programme that relate to the Industrial Development Decade for Africa. Based on the integrated programme approach, the Decade-related activities so financed will focus on intercountry projects and large-scale national projects that strengthen industry's contribution to economic integration at the national, subregional and regional levels as part of the region's efforts directed towards the establishment of the African Economic Community. Full consideration will be given to the priorities indicated by countries and subregions in the programmes they drew up for the second Decade. Especial emphasis will be placed on industries that establish intersectoral linkages between industry and agriculture, in particular food production and processing, on the one hand, and between industry and transport and communications on the other. This will contribute to the harmonization of the activities of the second IDDA and the second United Nations Transport and Communications Decade in Africa called for in General Conference resolution GC.4/Res.8. The industries so targeted will include agro-related industries producing agricultural and food processing machinery equipment, fertilizers and pesticides, as well as the local manufacture of transport, communications and telecommunications equipment. At the same time, activities will also focus on cross-sectoral themes or services such as ecologically sustainable industrial development, energy, technology acquisition and development, and human resource development that support the growth of individual enterprises, as well as the formulation of industrial policies and strategies. Particular weight will be attached to developing and promoting small-scale industries and their integration with large-scale industries in an effort to promote local entrepreneurship, private sector development and the integration of women in the industrialization process.

New features

6.7. In the biennium 1994-1995, the Organization will use the regular programme in a more flexible manner than to date. This will involve a certain degree of programmatic reconfiguration. Two categories of activities, which respond to specific mandates, will continue: the technical cooperation component of the IDDA programme and consultations with Governments. The other categories of activities, which were established prior to the Organization becoming a specialized agency, will be updated in order to enable the Organization to respond more adequately and effectively to the current priority needs of recipient countries. The regular programme will thus be structured along the lines of the priorities set in the medium-term plan, with particular attention being paid to the special programmes for Latin America and the Caribbean, Asia and the Pacific and Arab Countries.

6.8. The types of projects to be implemented under the regular programme will encompass:

(a) Preparatory ("up-front") activities and preparatory assistance projects along the lines of the programming criteria for the general convertible segment of the Industrial Development Fund, as described in document GC.4/28, chapter IV. This will increase the resources available for the preparation of projects in conformity with the established quality criteria (relevance, cost-effectiveness and sustainability) so as to generate additional financial flows;

(b) Technical cooperation projects addressing well-identified industrial development needs of recipient countries with the primary focus on the provision of expertise and direct training;

(c) Promotional projects aimed at promoting technology transfer, industrial investment, human resource development, and intercountry cooperation through such vehicles as seminars, workshops or training courses.

Problems addressed

6.9. The programme addresses six specific needs: (a) the need of the Organization for freely programmable sources of funds to translate its objectives into operational activities in line with the medium-term plan priorities; (b) the need to respond promptly to requests for technical cooperation in order to support the industrial development objectives of the recipient countries in a sustainable manner; (c) the need to use the programme to generate multiplier effects, given the limited size of the programme (6 per cent of the regular budget) in comparison with the technical cooperation needs of recipient countries; (d) the need to mobilize additional resources in the form of contributions to the Industrial Development Fund or special trust fund projects, an approach which requires the use of the regular programme as seed money in support of the programme frameworks drawn up for the priority areas identified in the medium-term plan; (e) the need to achieve optimum impact of technical cooperation activities by using the regular programme in close complementarity with other sources of funds, in particular with the Industrial Development Fund, the major source of programmable and flexible funding managed by the Organization, in keeping with the request of the Board in its decision IDB.9/Dec.7; and (f) the need to ensure equitable geographic distribution in the Organization's technical cooperation activities so as to benefit as many countries as possible, which requires the use of the regular programme to complement the projects and programmes funded through special-purpose IDF contributions and UNDP/IPF.

Objectives

6.10. The objective of the programme is to translate the medium-term plan priorities of the Organization into operational activities and to complement other sources of funding so as to secure the maximum positive impact of UNIDO technical cooperation activities and ensure optimum management of resources.

Output and activities

6.11. The effective utilization of resources for the regular programme of technical cooperation requires the following activities of the Secretariat: (a) ensuring that all projects implemented under the programme conform with the quality criteria of the Organization as established by the organizational _ chanisms for appraisal, monitoring and evaluation; (b) monitoring the substantive aspects of the programme, in particular to ensure that it is demand-driven and that a resource balance is struck among medium-term plan priorities and among geographical regions; (c) monitoring the financial aspects of the programme so as to ensure its full implementation; and (d) reporting regularly to the legislative bodies on all aspects of the programme.

6.12. The organizational mechanisms for carrying out these activities are described under subprogrammes 353 and 322.

Coordination

6.13. Overall responsibility for coordinating, monitoring and reporting on the development and implementation of the programme will rest with the IDF Mobilization and Funds Management Section (subprogramme 353). Close collaboration will be maintained with the units responsible for both the development and implementation of the regular programme of technical cooperation.

Resource requirements

6.14. As indicated above, the project activities under this programme are funded from the regular budget. The amount required is equivalent to 6 per cent of the total of the regular budget. No other items of expenditure, such as established posts, temporary assistance, consultants, meetings, short-term technical advisory services, travel or printing, are envisaged under the programme.

Resource increases/decreases

6.15. Apart from the realignment of the categories of activities, the resource base has been maintained at the level of the previous biennium.

Type of activity	1992-1993 (Revalued base)	1994-1995 (At 1993 rates)	Variation
	(In thousands of dollars)		
MTP priorities, including special regional programmes	6,641.0	6,641.0	-
Consultations with Governments	217.7	217.7	-
Industrial Development Decade for Africa	4,250.9	4,250.9	-
Total:	11,109.6	11,109.6	-

Major Programme: 600 COMMON PROGRAMMES
Programme: 620 Industrial Development Decade for Africa

1994-1995 resource requirements
(In thousands of dollars, at 1993 rates)

Regular and operational budgets

	Staff								
	Prof. wy/ms	GS/Other wy/ms	Cost	Consult.	Meetings	Travel	Other	Total	Previous biennium 1992-1993
RB	9/2	2/7	1,307.6	2,189.0	643.5	580.5	403.0	5,123.6	5,123.6
OB	0/0	0/0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total	9/2	2/7	1,307.6	2,189.0	643.5	580.5	403.0	5,123.6	5,123.6

Programme description

Development objectives

6.16. The fundamental premises on which the programme for the second IDDA is based include the recognition that Africa remains the poorest region of the world despite all the efforts of the past 30 years. It is also based on the firm belief that this deplorable situation can and must be changed, keeping in view Africa's enormous natural resources and the will of its people to become equal partners in the international community. The programme is a reaffirmation of the concepts and goals of the Lagos Plan of Action and the basic objectives of the first IDDA: the attainment of self-reliance and self-sustainment. The programme recognizes the need to transform Africa from a continent largely producing and exporting primary commodities to a more balanced economy which, in addition to agriculture and food production, will also produce the requisite goods and services. It also recognizes that a transformation of this kind and the consequent achievement of self-reliance can only come about through the process of industrialization.

6.17. The programme derives from the need to plan the industrial development of African countries on the basis of their domestic strengths and natural resources and to make the maximum use of domestic factor inputs. It recognizes that under no circumstances should industrial development be at the expense of healthy agricultural growth and food production, but that there is a close relationship between agriculture and industry. It also recognizes the need to ensure that industrial development in Africa will not cause environmental degradation. It is also based on the anticipation and hope that the international community will extend its assistance, technically and financially, to the efforts being promoted in the programme, although it recognizes the principal responsibility that the African countries themselves bear for its execution.

6.18. While African Governments will of necessity assume a lead role in formulating industrial policies, in building the required infrastructure and in creating an enabling environment. Successful implementation of the programme will call for the fullest participation of the private sector, foreign investors, small-scale industry, the self-employed, professionals, managers and the people as a whole. Consequently, an urgent need arises to strengthen African capabilities in planning, administration, technology, management and entrepreneurship as well as optimize the productivity and performance of industrial investments, major factors in promoting self-reliance. The programme also derives from the recognition that the size and vulnerability of most African countries make it virtually impossible to pursue paths of isolation, thus emphasizing the need to create wider markets and joint investments on the basis of regional and subregional cooperation, strengthen subregional markets and enter export markets on a competitive basis. The programme also seeks to enhance the contribution of industry to the establishment of the African Economic Community.

Relationship to medium-term plan priorities

6.19. The medium-term plan emphasizes the need to develop integrated programmes in support of the African countries' expressed objectives. As pointed out in the medium-term plan, UNIDO is consolidating and focusing its assistance on carefully selected strategic industrial sectors/branches, in particular agro- and agro-related industries. In addition to the focus on two major priority sectors - agro-industries, and transportation and communications - the programme accords special emphasis to human resource development, development and transfer of technology, industrial rehabilitation and modernization, small- and medium-scale industries, and environment and energy. The three common themes in the medium-term plan have also been fully addressed. IDDA funds (in both the technical assistance and supplementary activity components) will be used as seed money to mobilize financial resources for development, while particular care will be taken to promote the integration of women in industrial development and further the process of subregional and regional cooperation.

New features

6.20. The programme with its national, subregional and regional components derives from the direct involvement of African Member States and intergovernmental organizations in its preparation. This strategic approach to the design of the programme has ensured the requisite country and intercountry focus based on pragmatic considerations, as well as the full commitment of each country to the execution of the activities planned for the Decade.

6.21. The programme also takes due account of the need to promote a more active developmental role on the part of the private sector, with especial emphasis on entrepreneurship in the region. In keeping with the Dakar Declaration on Industrialization and Economic Integration in Africa adopted by the Conference of African Ministers of Industry at its tenth meeting, the programme recognizes that both industrial development and economic integration require basic support services. For this reason, the programme emphasizes the role of physical infrastructure, especially transportation and communications, and seeks to harmonize its activities with those of the Second United Nations Transport and Communications Decade, as requested by the General Conference in resolution GC.4/Res.8 adopted at its fourth regular session. It also seeks to integrate the relevant provisions of Agenda 21 adopted by the United Nations Conference on Environment and Development as well as those of the United Nations New Agenda for the Development of Africa in the 1990s as emphasized in General Assembly resolution 47/177.

6.22. In resource terms, the programme has been drawn up in keeping with the revalued maintenance base. In programmatic terms, the programme of work for the biennium is in line with the overall thrust of the second IDDA. It centres around two priority areas so as to optimize the impact and seeks to draw on the full technical and substantive expertise of UNIDO within those areas. It is designed to make an identifiable contribution to accelerated industrial development in Africa, to strengthen the other technical cooperation activities of the Organization in Africa and to contribute to the generation and mobilization of financial resources by using IDDA funds as seed money, including the establishment of a close interrelationship between technical assistance and industrial investment resources.

6.23. By virtue of its resolution GC.4/Res.8, the General Conference adopted the programme for the second IDDA with all its national, subregional and regional components and declared it to be a top priority programme of UNIDO. The Conference also requested the Director-General to adjust the work programme of the Organization in order to provide greater support to African countries and organizations in their efforts to implement the programme for the Second IDDA. The Conference emphasized that account should be taken in particular of Africa's efforts to promote subregional and regional economic integration and cooperation. It further requested the Director-General to ensure that activities of the second IDDA are harmonized with those of the second United Nations Transport and Communications Decade for Africa. In the programme of work drawn up for the biennium due heed has been paid to those requests. Other considerations were the overriding priority assigned within the context of African food self-sufficiency to agro-related industries in the 50 national and 4 subregional programmes drawn up for the second IDDA, the ever-increasing food deficit facing the African countries as well as the implications of the establishment of the African Economic Community. Consequently, the IDDA programme drawn up by UNIDO for the biennium 1994-1995 focuses primarily on two priority sectors crucial to overall socio-economic development and regional integration in Africa; (a) agro-industries; and (b) transportation and communications, including telecommunications.

6.24. The assistance to be provided by UNIDO will concentrate on the development and rehabilitation of agro-related industries, with special emphasis on food production and processing, with the ultimate aim of contributing to food self-sufficiency and security. It will also seek to promote the local manufacture of transport, communications and telecommunications equipment, the bulk of which is currently imported at high prices, thus consuming much of Africa's limited foreign exchange resources. Furthermore, in accordance with the priorities of the UNIDO medium-term plan for 1994-1999, the IDDA-related programmes in these two priority sectors will emphasize human resource and technology development, industrial rehabilitation, support to small- and medium-scale industries, with due regard for the environment and energy conservation. The programme will also use IDDA funds as seed money for mobilizing financial resources, linking technical assistance with investment, and vice versa, and particular care will be taken to promote the integration of women in industrial development and to further subregional cooperation.

Problems addressed

6.25. Thirty years after attainment of independence, the industrial sector in African countries remains small and hardly diversified, without significant structural change. In the period 1990-1991 the industrial output growth rate averaged 2.3 per cent in just a few countries, while it was still lower or negative in the majority of countries in the region. Indeed, the latter group form the bulk of the world's least developed countries. The share of industry in GDP in most African countries stands at less than 10 per cent. Most industrial inputs are imported at a high cost, calling for a high foreign currency component. The structural weaknesses in the productive sectors are exacerbated by inadequate intrasectoral and intersectoral linkages, wanting physical and institutional infrastructure, poor technological capabilities and skills and limited financial resources. Particularly significant is the lack of those agriculture-industry linkages essential to the sustained development of agriculture and food production. Mass starvation in some parts of the region bears testimony to this major deficiency. Equally constraining is the lack of adequate transportation and communications infrastructure that could support economic development and integration, particularly in the context of the planned establishment of the African Economic Community.

Objectives

6.26. The main objective of the IDDA programme of UNIDO is to: (a) assist the African countries in their efforts to remove the fundamental deficiencies impeding the structural transformation as well as rapid growth of their industrial sectors, with especial focus on two priority sectors: agro-industries and local manufacture of transportation, communications and telecommunications equipment; (b) contribute to the creation of the necessary conditions, including an environment fostering and enabling intersectoral linkages between industry and agriculture on the one hand and industry and transport and communications on the other, in order to further the establishment of a solid base for accelerated, self-reliant and self-sustaining industrialization in Africa; (c) make an identifiable contribution to the mobilization of financial resources for investment by using funds available to the programme as seed money and linking technical assistance to investment promotion activities, particularly in the two priority sectors; and (d) promote regional cooperation in the industrial sector.

Output and activities

6.27. As in previous bienniums, the IDDA-related programme of UNIDO will consist of two components: (a) technical cooperation activities; and (b) supplementary activities including short-term technical advisory services. Both components will be interlinked and mutually reinforcing.

6.28. In compliance with the priorities of national and subregional programmes drawn up for the second IDDA, the technical cooperation activities component of the programme ($4,250,900, see programme 610) will focus on industries that establish linkages between industry and agriculture, with special emphasis on food production and processing, and between industry and transportation as well as communications. The industries concerned will embrace agro-related industries such as agricultural and food processing machinery, fertilizers, pesticides and the local manufacture of transportation, communications and telecommunications equipment. Emphasis will be placed on programmes, including intercountry and large-scale national projects, that promote economic integration at national, subregional and regional levels as part of the efforts conducive to the establishment of the African Economic Community. Special attention will be accorded to the development and promotion of small- and medium-scale industries integrated with large-scale industries in an effort to promote local entrepreneurship and private sector development. Equally important will be such cross-sectoral priorities as human resources development, technology acquisition and development, formulation of industrial policies and strategies, integration of women in industrial development, energy and environment.

6.29. In order to maximize the impact of the technical cooperation activities component of the programme, the funds will be used as seed money to generate and mobilize further technical assistance and investment resources. The technical cooperation activities of the programme will be based on the integrated programme approach. A closer integration of the technical cooperation, promotional and supporting activities related to the two key sectors, agro-industries and transportation/communications, will be effected by means of subregional investment forums which will review the current situation in those sectors, identify constraints upon their development and formulate remedial plans for their alleviation.

6.30. The supplementary activities component of the programme ($5,123,600) which include short-term technical advisory services ($1,182,100) are aimed at supporting technical cooperation activities and increasing the efficiency of implementation of national and subregional programmes, with special emphasis on agro-industries, transport, communications and telecommunications.

6.31. The short-term technical advisory services (STAS) will continue to provide a means of responding to urgent requests for assistance from African countries and organizations in support of their Decade-related programmes. The activities so funded will focus on providing the necessary linkage between supplementary and technical cooperation activities and between technical cooperation and investment. Among the activities planned are: revising and updating national and subregional programmes for the second IDDA and preparing related strategic implementation plans; preparing integrated packages of investment and technical assistance projects for presentation to investors and donors; providing advisory services to Governments and subregional organizations in relation to negotiations and investors; and offering advisory services to Governments and subregional organizations in relation to technology development and acquisition.

6.32. The supplementary activities other than STAS will focus on specific activities and related outputs under four main headings:

(a) Agro-related activities with special emphasis on food industries

(b) Transport, communications and telecommunications

(c) Institutional support

(d) Public information.

(a) Agro-related activities with special emphasis on food industries

6.33. Of the five sets of activities and outputs planned under this heading, the first set will focus on the improvement of industrial performance of cereal milling units in Africa, in the course of which a step-by-step approach to improving industrial performance will be drawn up so as to bring about full utilization of industrial processing capacities in the cereal milling industry in the region. This approach, which will be reviewed at an expert group meeting, will comprise: (a) a techno-economic package of concrete and easy-to-implement measures for the substantial upgrading of the utilization of the installed capacities; and (b) a compendium of policy measures designed to support and improve industrial performance in the subsector.

6.34. The second set of activities and outputs will focus on the valorization of by-products in the food industry in Africa, in the course of which a techno-economic package of concrete and easy-to-implement measures will be drawn up for valorizing industrial by-products and wastes and reducing environmental damage. This will be matched by the dissemination on a subregional basis of a modular methodology for by-products and waste in the food industry context and the introduction of appropriate applied training schemes. The application of the package and methodology, both of which will be reviewed at an expert group meeting, will lead to the identification of a number of industrial opportunities.

6.35. The third set of activities and outputs under this heading will focus on the development of composite flours and production of enriched food using local resources and raw materials. It will comprise the preparation of a technological package for production of composite flours and enriched food products based on local raw materials, as well as the elaboration of a methodology for pilot-scale development of products processing and marketing for dissemination throughout the region, matched by the introduction of appropriate applied training schemes. These items will be subject to review at an expert group meeting. The outputs will also include a fully-fledged technical and economic feasibility study including a market survey for an industrial modular plant processing composite flour and producing enriched products from local raw materials.

6.36. The fourth set of activities and outputs will centre on the provision of methodological and advisory services related to the restructuring of agro-industrial enterprises. This will comprise the preparation of a package of UNIDO materials and tools, including a manual on restructuring agro-industrial enterprises in the region based on the Organization's experience in the region and matching computer software compatible with current UNIDO investment-related software. It will also comprise the elaboration of training material (approaches, diagnostic methodologies and techniques as well as formulation and implementation of restructuring plans) needed for seminars and traineeships related to the restructuring of agro-based industrial enterprises. Two regional workshops will be held in the biennium to introduce the manual, software and training materials, while printed material and marketing brochures in three languages on industrial restructuring programmes will be presented to the Conference of African Ministers of Industry, the General Conference and other major events.

6.37. Subject to the availability of funds, advisory services will be offered to selected enterprises in the region. These will serve as test/demonstration cases and the results achieved at those enterprises that received advisory services will be carefully assessed.

6.38. The fifth set of activities and outputs will focus on the development of a reference manual on processing agricultural raw materials, appropriate to the African context. The reference manual will cover both simple and advanced methods of food preservation and processing. It will be organized according to raw material sources in Africa, describe a range of preserved and processed food product technologies and identify sources of equipment and, particularly, sources of technical information and assistance. A regional seminar will be held to introduce the manual to key staff in African food research institutes and centres, to Government officials charged with providing extension services to small- and medium-scale industries and to raw material producers as well as to industry representatives.

6.39. Subject to availability of funds, it is expected that the activities under this heading will lead to the installation of one or two simple demonstration facilities.

(b) Transport, communications and telecommunications

6.40. Of the five sets of activities and outputs under this heading, the first set will focus on support for the development and expansion of four existing regional transport equipment plants in the region. One output will comprise an integrated report on the technical, commercial and financial viability of four transport equipment plants jointly producing selected spare parts, components and machinery. The second output will comprise an investment proposal derived from the integrated report to enable Governments, private sector operators and financial institutions to take an investment decision regarding the development and the expansion of four transport equipment plants with demonstrated potential for regional cooperation.

6.41. The second set of activities and outputs under this heading will focus on the development of feeder industries for automotive assembly plants. As a first step, the policy environment governing the development of automotive product assembly and the changes needed to promote feeder industries will be assessed. Thereafter an expert group meeting will be held to increase country awareness and identify the possibilities for cooperation in the development of feeder industries for automotive assembly plants. On that basis, a number of technical cooperation projects will be prepared relating to promoting the local manufacture of boats as well as electronic, electrical and mechanical components for telecommunications equipment and systems, in addition to which investment projects will be identified and drawn up.

6.42. The third set of activities and outputs under this heading will centre on increasing the yield and output of the African fishing industry and improving occupational safety in the subsector. As a first step, a subsectoral survey will be carried out to identify and assess the present status of fishing fleets in terms of boats, engines, on-board equipment, operating areas, safety problems, causes and size of damage suffered as well as land-based transmission and broadcasting facilities in the pilot areas. Taking due account of the operating environment, consideration will be paid to communication techniques and meteorological services as well as the design, manufacture, maintenance and repair facilities for both boats and electronic/telecommunications equipment in the countries surveyed. As a second step, an expert group meeting based on the findings of the above survey will be held to increase country awareness and identify possibilities for cooperation in increasing fishing yields and improving occupational safety. The meeting will also facilitate the identification of a number of technical cooperation projects particularly on promoting local manufacture of boats and electronic, electrical and mechanical components for telecommunications equipment and systems. It will also facilitate identification and formulation of investment projects in related areas.

6.43. The fourth set of activities and outputs under this heading will focus on testing and certifying telecommunications equipment. As a first step, a study will be carried out in a selected number of African countries to identify and analyse the elements of a regional strategy to minimize losses due to lack of/or inadequate tropicalization of telecommunications equipment. The outcome will be discussed at an expert group meeting focusing on the adverse effects of non-tropicalization and/or non-certification of telecommunications equipment. The meeting is expected to increase country awareness of the implications that ISO 9000 (international standards for quality management) bear for telecommunications in the region and to identify possibilities for cooperation in this subsector. The meeting will also pave the way for the formulation of a number of technical cooperation projects in the related fields. It will also facilitate the identification and formulation of investment projects in the related areas.

6.44. The fifth set of activities and outputs under this heading will relate to the development of rural telecommunications in Africa through the promotion of joint ventures and ECDC activities. It is estimated that activities, which include an expert group meeting on the subject, will yield seven techno-economic reports on the manufacture of rural telecommunications equipment in Africa and the conclusion of technology transfer agreements between African industrialists and suppliers of rural telecommunications technology.

(c) Institutional support

6.45. The first set of activities and outputs under this heading will focus on the preparation of detailed and fully costed implementation plans for multi-yearly segments of the national and subregional programmes drawn up for the second IDDA, including integrated packages of technical assistance and investment projects and policy advice. It is expected that plans will be drawn up for eight countries, with emphasis on agro-industries, transport, communications and telecommunications.

6.46. The second set of activities and outputs will centre on the continuation of the Industrial Partners Programme for Africa to promote joint ventures between the United States of America, Canada and Africa through the mobilization of investment resources in the United States and Canada. It is estimated that 10 industrial joint ventures will be promoted between partners in the United States, Canada and Africa, preferably in the priority sectors identified for the biennium, which will also be the subject of an expert group meeting.

6.47. The third set of activities and outputs will focus on the review and evaluation of industrial regulatory frameworks and major industrial development issues, policies and strategies through dialogue at the twelfth meeting of the Conference of African Ministers of Industry and the preceding Intergovernmental Committee of Experts of the Whole on Industrialization in Africa between ministers and private sector representatives in order to facilitate implementation of the programme for the second IDDA. In drawing up the regulatory frameworks and policy packages for the establishment of an environment conducive to the development of the private sector and the successful implementation of national and subregional programmes for the second IDDA, special emphasis will be placed on subregional and regional cooperation/integration within the context of the planned African Economic Community. As in previous bienniums, the programme will provide substantive, logistical and other support to the meetings of the Conference of African Ministers of Industry and the Intergovernmental Committee of the Whole, as well as the follow-up meetings of the Bureau of the Conference and the Committee of Ten on the implementation of the programme for the second Decade.

6.48. The fourth set of activities and outputs will be directed towards the mobilization of financial resources from leading international development finance institutions. To that end, a high-level consultative meeting will be held on the second IDDA that will yield a working arrangement between UNIDO and financial institutions on co-financing the programme for the second IDDA based on national and subregional priorities, with particular reference to agro-industries, transport, communications and telecommunications. As part of the efforts directed towards maintaining a high level of awareness of the Decade and securing support at the global level, a progress report on the implementation of the programme for the Decade will be prepared jointly with ECA and OAU and submitted to the General Assembly through the Economic and Social Council (1995).

6.49. As in previous bienniums, the programme will actively participate in the work of the policy-making organs of ECA, OAU and selected major African intergovernmental organizations. This participation will constitute the fifth set of activities under this heading and will ensure that the priorities of the Second IDDA are duly reflected in the work programmes of ECA, OAU and major IGOs. This will serve as a basis for strengthened cooperation with UNIDO in supporting the implementation of the national and subregional and regional programme for the Second IDDA. The activities will also ensure the effective contribution of UNIDO to IDDA-related subregional and regional integration policies and programmes such as the Second United Nations Transport and Communications Decade for Africa and the African Economic Community.

6.50. The sixth set of activities and outputs under this heading will relate to the review of the subregional programme for two African subregions and the formulation of implementation plans. To this end, packages of priority technical assistance and investment programmes, projects and activities based on programmes for two subregions will be submitted to donors with particular reference to agro-industries, transport, communications and telecommunications. The programmes and implementation plans will be reviewed at two subregional meetings and serve as inputs to the investment forums scheduled for the two subregions.

6.51. The seventh set of support activities and outputs under this heading relate to the promotion of industrial investment in the four subregions, which will be the subject of attention at four investment forums. For each investment forum 80 investment projects in the agro-related industries sector will be identified, formulated and promoted, while 20 investment projects will be identified, formulated and promoted in the communications sector. Subsequent to each forum, assistance will be provided under regular programme financing to African promoters for the requisite follow-up activities with identified technical and financial partners.

(d) Public information

6.52. The public information activities and outputs of the programme fall into three categories:

(a) Primary industrial development issues in the region;

(b) Specific activities related to Africa Industrialization Day;

(c) Specific activities related to the twelfth meeting of the Conference of African Ministers of Industry and the General Conference.

Primary industrial development issues in the region

6.53. The outputs and activities under this heading are:

(a) Summarizing, printing and distributing ten IDDA national programmes for a wider public in and outside Africa;

(b) Preparing and issuing two issues of Industry Africa (1 in 1994 and 1 in 1995).

Specific activities related to Africa Industrialization Day (20 November)

6.54. The outputs and activities under this heading are:

(a) Preparing a display panel illustrating UNIDO field activities (1 in 1994, 1 in 1995);

(b) Preparing a poster devoted to the theme of Africa Industrialization Day (1 in 1994, 1 in 1995);

(c) Production of two films devoted to the theme of Africa Industrialization Day (1 in 1994, 1 in 1995).

Specific activities related to the twelfth meeting of the Conference of African Ministers of Industry and the General Conference

6.55. The outputs and activities under this heading are:

(a) Preparing a display panel for the Conference of African Ministers of Industry (1 in 1995);

(b) Preparing a display panel for the General Conference (1 in 1995).

Coordination

6.56. The main responsibilities for individual outputs will rest with the relevant subprogrammes, using inputs from other subprogrammes as required. Overall responsibility for coordinating, monitoring and reporting on the development and implementation of the IDDA programme will rest with the Coordination Unit for the IDDA in the Office of the Director in Area Programmes (330). The Coordination Unit will also maintain close contacts with Governments and intergovernmental organizations for the preparation and implementation of their respective programmes for the Decade. Coordination and consultations are also maintained with a number of external organizations, including the World Bank, the African Development Bank, the Arab Bank for Economic Development in Africa, the Economic Commission for Africa and other relevant United Nations organizations, bi- and multilateral organizations and African intergovernmental organizations, particularly the Organization of African Unity, to enhance the quality and quantity of assistance provided to African countries.

6.57. Close collaboration will also be maintained within UNIDO, particularly with Area Programme (Africa and Arab Programmes (331, 332) and Least Developed Countries Coordination in the Office of the Director (337), the major programmes for Industrial Operations (500) and for Industrial Promotion, Consultations and Technology (400), as well as the subprogrammes for Regional and Country Studies (342) and Programme Development Support (323) and the programme for Industrial Cooperation and Funds Mobilization (350), in ensuring the coordination of the implementation of the Decade programme.

Resource requirements

6.58. In undertaking the activities, the various subprogrammes will draw on their own staff resources supplemented by temporary assistance ($125,500) for the 13 IDDA-related meetings (see Annex H for details) and 161 work months of consultants' services ($2,189,000). The consultants will contribute to the activities envisaged under the four main headings: agro-related activities with special emphasis on food industries; transport, communications and telecommunications; institutional support; and public information. Their services and expertise will be used as inputs to the preparation of manuals, summaries of programmes, development of approaches and methodologies as well as the elaboration of technological packages. They will contribute to the elaboration of implementation plans for various subregional and national programmes and assist in the identification of proposals for the mobilization of resources and in the conduct of pre-investment studies and surveys. They will also provide inputs to the production of print and audio-visual media related to the second Decade and such events as Africa Industrialization Day and the meetings of the Conference of African Ministers of Industry.

6.59. Meeting funds ($643,500) are required to finance the travel and subsistence of the participants in the regional and subregional meetings, ad hoc expert group meetings and seminars listed in Annex H.

6.60. A total of $1,182,100 equivalent to 110 work-months is required to cover the cost of short-term technical advisory services in support of the Decade. These services are aimed at supporting technical cooperation activities and increasing the efficiency of implementation of national and subregional programmes, with special emphasis on agro-industries, transport, communications and telecommunications. The short-term technical advisory services will continue to provide a means of responding to urgent requests for assistance from African countries and organizations in support of their Decade-related programmes. The activities so funded will focus on providing the necessary linkage between supplementary and technical cooperation activities and between technical cooperation and investment. Among the activities planned are: (a) revising and updating national and subregional programmes for the second IDDA and preparing related strategic implementation plans; (b) preparing integrated packages of investment and technical assistance projects for presentation to investors and donors; (c) providing advisory services to Governments and subregional organizations in relation to negotiations and investors; and (d) offering advisory services to Governments and subregional organizations in relation to technology development and acquisition.

6.61. Staff travel ($580,500) will be required in connection with the various outputs, viz. manuals, technological packages, revised programmes and pre-investment studies. Staff travel will be required for consultations with development and financial institutions on resource mobilization, and discussions with subregional and regional organizations on coordinating the implementation of subregional and national programmes. Further staff travel will be required to ensure representation of UNIDO at various policy meetings on matters related to the industrial development of Africa organized by ECA, OAU and subregional organizations, as well as inter-agency task forces and coordinating committees. Staff travel will also be required for preparing, servicing and participating in IDDA-related meetings.

6.62. Funds will be required to cover the cost of printing selected national and subregional programmes for the second IDDA, posters, panels, pamphlets and brochures, as well as documentation for the various meetings, including investors' guides for the promotion forums. Part of the printing costs associated with Industry Africa will also be defrayed under this heading.

6.63. Miscellaneous resources ($403,000) will cover those printing costs as well as communications, transport of documents, freight, postage, equipment rental, purchase of supplies and other costs related to meetings, including the Conference of African Ministers of Industry. The same resources will also cover the cost of distributing selected programmes for the second Decade, posters and other publicity material, and of producing, processing, transcoding, copying and distributing film material, as well as equipment transportation, insurance and freight.

Resource increases/decreases

6.64. The total resources for the IDDA programme will remain at the revalued base level of $9.37 million ($4.25 million for the technical assistance component (included in programme 610) and $5.12 million for the supplementary activities component (programme 620)) compared to the previous biennium. Within the supplementary activity component, the funds allotted to consultants show an increase of $204,200 and those to meetings an increase of $180,500. Short-term technical advisory services have decreased by $440,300 while travel requirements have increased slightly by $18,300. Temporary assistance for meetings show a decrease of $35,500 while miscellaneous costs show an increase of $72,800.

Major Programme: 700 VIENNA INTERNATIONAL CENTRE (VIC)-RELATED SERVICES

1994-1995 resource requirements
(In thousands of dollars, at 1993 rates)

Regular and operational budgets

	Staff Prof. wy/ms	Staff GS/Other wy/ms	Cost	Consult.	Meetings	Travel	Other	Total	Previous biennium 1992-1993
RB gross	6/0	256/4	13,860.6	0.0	0.0	6.9	30,014.4	43,881.9	43,881.9
RB income			9,476.2	0.0	0.0	4.6	16,926.6	26,407.4	26,407.4
RB net	6/0	256/4	4,384.4	0.0	0.0	2.3	13,087.8	17,474.5	17,474.5
OB	0/0	0/0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total	6/0	256/4	4,384.4	0.0	0.0	2.3	13,087.8	17,474.5	17,474.5

By programme

	Staff Prof. wy/ms	Staff GS/Other wy/ms	Cost	Consult.	Meetings	Travel	Other	Total	Previous biennium 1992-1993
710 Buildings Management Services									
Gross	6/0	256/4	13,860.6	0.0	0.0	6.9	24,746.3	38,613.8	38,613.8
Income			9,476.2	0.0	0.0	4.6	16,926.6	26,407.4	26,407.4
Net	6/0	256/4	4,384.4	0.0	0.0	2.3	7,819.7	12,206.4	12,206.4
720 Other services provided to UNIDO									
	0/0	0/0	0.0	0.0	0.0	0.0	5,268.1	5,268.1	5,268.1
Total	6/0	256/4	4,384.4	0.0	0.0	2.3	13,087.8	17,474.5	17,474.5

Major programme description

Composition

7.1. The major programme consists of two programmes: Buildings Management Services (710) provided by UNIDO to all international organizations in the Vienna International Centre (VIC) complex and some common services provided by other international organizations to UNIDO, namely joint medical, library and security services (720).

Basic aims

7.2. In accordance with the Agreement between the Republic of Austria and the United Nations regarding the Headquarters of UNIDO (1967) and the Memorandum of Understanding on Common Services (1977), the main aim of the major programme is to ensure the continuous provision of common services essential to the management and administering of the maintenance, repair and operation of the VIC complex in a timely, economical and efficient manner. It also aims to ensure that certain needed services relating to medical, library and security services are provided to UNIDO by other Vienna-based organizations.

7.3. As stated in the medium-term plan, the major programme will continue efforts to minimize cost increases in the operation, maintenance and repair of the ageing VIC complex through energy and operating savings and through automation and streamlined work practices.

Interlinkage

7.4. The two programmes (710 and 720) come under the overall supervision of the Department of Administration (major programme 800). Specifically, programme 710 is administered by General Services (programme 840) and programme 720 by the Office of the Deputy Director-General and Personnel Services (programmes 810 and 820).

Income

7.5. This major programme undertakes work for other Vienna-based organizations for which it receives reimbursement. The work involved relates primarily to the operation, repair and maintenance of the VIC complex, the costs of which are shared by UNIDO, UNOV, IAEA and others (banks, travel agencies).

7.6. The gross expenditures of the major programme amount to $43,881,900. Income is estimated at $26,407,400. Thus, net requirements (expenditures less income) amount to $17,474,500.

Major Programme: 700 VIENNA INTERNATIONAL CENTRE (VIC)-RELATED SERVICES
Programme: 710 Buildings Management Services

1994-1995 resource requirements
(In thousands of dollars, at 1993 rates)

Regular and operational budgets

	Staff								Previous biennium
	Prof. wy/ms	GS/Other wy/ms	Cost	Consult.	Meetings	Travel	Other	Total	1992-1993
RB gross	6/0	256/4	13,860.6	0.0	0.0	6.9	24,746.3	38,613.8	38,613.8
RB income			9,476.2	0.0	0.0	4.6	16,926.6	26,407.4	26,407.4
RB net	6/0	256/4	4,384.4	0.0	0.0	2.3	7,819.7	12,206.4	12,206.4
OB	0/0	0/0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total	6/0	256/4	4,384.4	0.0	0.0	2.3	7,819.7	12,206.4	12,206.4

Programme description

Introduction

7.7. Under the terms of the Memorandum of Understanding on Common Services among the Vienna-based organizations, UNIDO was given the responsibility for managing and administering the operation, maintenance and repair of the grounds, buildings and related installations and equipment of the VIC complex. It also implements the projects financed by the Common Fund for Major Repairs and Replacements at the VIC to which UNIDO, IAEA, UNOV and the Austrian Government contribute.

Problems addressed

7.8. It is expected that as a result of steady depreciation, the cost of maintaining, operating and repairing the buildings and related installations of the VIC complex will rise substantially over time. The Vienna International Centre is now more than fifteen years old. Functional obsolescence along with increased demand for office space raise the cost of maintaining the buildings, grounds and equipment of the VIC complex. At the same time, zero-growth budgets are severely constraining the ability of the Vienna-based organizations to ensure that needed repair and maintenance work is carried out on a regular basis. The central challenge therefore is to cope with a rising demand for services with a stagnant level of resources through measures to raise efficiency and productivity.

Objectives

7.9. To ensure safe and reliable operation, maintenance and repair of the buildings, related installations and equipment of the VIC complex on a cost-effective basis.

7.10. To provide services relating to space allocation and staff relocation for UNIDO, IAEA, UNOV, UNDCP and UNRWA.

Output and activities

7.11. The programme provides round-the-clock operation services and carries out comprehensive maintenance and repair work to ensure upkeep of the premises in compliance with local safety regulations, with emphasis on civil engineering, electrical engineering, electronics engineering and buildings operations. It carries out various studies on and introduces economy measures in the areas of energy conservation and environmental health improvements. It takes measures to meet strict requirements in respect of waste disposal and the bacteriological and chemical control of the water and air in the buildings.

7.12. After 15 years' occupancy, it is to be expected that major repairs will increase constantly. Replacement programmes are thus initiated in all areas to maintain an acceptable technical level of VIC operations and UN/UNIDO conferences. However, in view of budgetary constraints, a reduced level of upkeep of the VIC complex may be experienced in some areas. Furthermore, the deferral of major equipment replacement may lead to higher costs in future years.

7.13. The programme also includes modifications in all areas, for changes in space use, storage requirements or specific technical installations.

Coordination

7.14. The programme comes under the supervision of major programme 800 (programme 840, General Services) and maintains close links with all programmes within the Organization and with IAEA, UNOV, UNDCP, UNRWA and the Austrian authorities. It also maintains contacts with other agencies of the United Nations so as to draw on their experience of managing similar complexes and systems.

Resource requirements

7.15. The resources shown under this programme are cost-shared by the Vienna-based international organizations. Under the agreed cost-sharing formula, UNIDO contributes 31.6 per cent of the costs and the balance is shared by the other organizations in the VIC complex. In addition to staff resources, the programme requires funds for general temporary assistance ($57,200) to ensure continuity of work, overtime ($80,600) to cover peak work periods and to permit maintenance and repair of the building complex to take place outside normal office hours, thus ensuring minimal disruptions. Travel funds ($2,300) have been earmarked to enable staff to travel for training purposes to keep them abreast of the latest technologies and practices in the management of large building complexes.

7.16. The programme also requires resources for the operation, repair and upkeep of the VIC complex. Those resources, in respect of which UNIDO receives cost reimbursement of 68.4 per cent, are presented below:

Cost-reimbursement income
(In thousands of dollars, at 1993 rates)

	Total cost	UNIDO share	Cost reimbursement
Staff costs			
Established posts, general temporary assistance, overtime	13,860.6	4,384.4	9,476.2
Official travel	6.9	2.3	4.6
Non-staff costs			
Rental and maintenance of premises a/	11,287.3	3,566.7	7,720.6
Utilities b/	12,003.4	3,793.0	8,210.4
Rental and maintenance of equipment	166.0	52.4	113.6
Maintenance of furniture, transportation and other equipment	17.6	5.6	12.0
Miscellaneous services	15.0	4.8	10.2
Supplies and materials	481.0	152.0	329.0
Acquisition of furniture and equipment	776.0	245.2	530.8
Total	38,613.8	12,206.4	26,407.4

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a/ Includes repair and maintenance of elevators and communications equipment, cleaning of premises and grounds, replacement parts for repair and maintenance of electrical, electronic and other building installations.

b/ Heating, water, electricity, air conditioning and waste disposal.

Resource increases/decreases (net)

7.17. The programme maintains the same level of resources as in the previous biennium. However, different objects of expenditure show variations compared to the previous biennium. Staff resources show a decrease due to the move of three posts for conference technicians from the programme to subprogramme 844, Office of the Director, General Services. General temporary assistance was reduced by $60,900 due to the conversion from general temporary assistance to established posts of two General Service posts. Overtime shows a slight increase of $600, while travel funds show a decrease of $4,600. Resource requirements under rental and maintenance of premises remain at the 1992-1993 levels.

7.18. Resource decreases are shown in utilities ($7,200), while resource increases are shown under maintenance of furniture and transportation and other equipment ($25,100), supplies and materials ($19,400), acquisition of furniture and equipment ($59,800) and miscellaneous services ($600).

Major Programme: 700 VIENNA INTERNATIONAL CENTRE (VIC)-RELATED SERVICES

Programme: 720 Other services provided to UNIDO

1994-1995 resource requirements
(In thousands of dollars, at 1993 rates)

Regular and operational budgets

	Staff								
	Prof. wy/ms	GS/Other wy/ms	Cost	Consult.	Meetings	Travel	Other	Total	Previous biennium 1992-1993
RB	0/0	0/0	0.0	0.0	0.0	0.0	5,268.1	5,268.1	5,268.1
OB	0/0	0/0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total	0/0	0/0	0.0	0.0	0.0	0.0	5,268.1	5,268.1	5,268.1

Programme description

Introduction

7.19. Under the terms of the Memorandum of Understanding concluded in 1977 between the Secretary-General of the United Nations, the Director-General of IAEA and the Executive Director of UNIDO, the three parties agreed to share in the costs of operating common services at the Vienna International Centre and to allocate the management of the various activities among the three organizations. UNIDO was given responsibility for the management of the VIC complex and the catering service; the IAEA for commissary, library and medical services among others; and UNOV for security services. In line with this agreed sharing of the costs of common services, UNIDO reimburses IAEA and UNOV for services received. The UNIDO contributions for the specified services are shown below:

Cost to UNIDO
(In thousands of dollars, at 1993 rates)

	1992-1993	1994-1995
Services provided by IAEA		
Medical Service	1,048.6	1,048.6
Library Service	1,682.4	1,682.4
Service provided by UNOV		
Security and Safety	2,537.1	2,537.1
Total	5,268.1	5,268.1

7.20. As the above figures show, resources for services provided by IAEA and UNOV to UNIDO remain the same for the biennium 1994-1995 as in the 1992-1993 biennium. The contributions of UNIDO to those services are drawn from the regular budget of the Organization.

Major Programme: 800 ADMINISTRATION

1994-1995 resource requirements

(In thousands of dollars, at 1993 rates)

Regular and operational budgets

	Staff								Previous biennium
	Prof. wy/ms	GS/Other wy/ms	Cost	Consult.	Meetings	Travel	Other	Total	1992-1993
RB gross	82/0	242/3	21,682.7	4.0	0.0	219.0	12,132.8	34,038.5	35,152.7
RB income			2,120.0	0.0	0.0	0.0	400.8	2,520.8	3,105.0
RB net	82/0	242/3	19,562.7	4.0	0.0	219.0	11,732.0	31,517.7	32,047.7
OB	34/0	126/9	9,805.4	0.0	0.0	0.0	1,232.7	11,038.1	12,196.0
Total	116/0	369/0	29,368.1	4.0	0.0	219.0	12,964.7	42,555.8	44,243.7

By programme

	Staff								Previous biennium
	Prof. wy/ms	GS/Other wy/ms	Cost	Consult.	Meetings	Travel	Other	Total	1992-1993
810 Office of the Deputy Director-General									
	6/0	10/0	1,133.6	0.0	0.0	10.0	895.6	2,039.2	2,310.5
820 Personnel Services									
Gross	26/0	70/8	7,220.0	4.0	0.0	85.0	43.0	7,352.0	7,608.5
Income			614.2	0.0	0.0	0.0	15.2	629.4	937.4
Net	26/0	70/8	6,605.8	4.0	0.0	85.0	27.8	6,722.6	6,671.1
830 Financial Services									
Gross	26/0	112/3	8,432.8	0.0	0.0	25.0	0.0	8,457.8	9,404.8
Income			0.0	0.0	0.0	0.0	0.0	0.0	368.2
Net	26/0	112/3	8,432.8	0.0	0.0	25.0	0.0	8,457.8	9,036.6
840 General Services									
Gross	30/0	133/5	9,817.7	0.0	0.0	30.0	8,064.3	17,912.0	18,859.4
Income			1,230.0	0.0	0.0	0.0	0.0	1,230.0	1,121.4
Net	30/0	133/5	8,587.7	0.0	0.0	30.0	8,064.3	16,682.0	17,738.0
850 Management Information Services									
Gross	28/0	42/8	4,884.0	0.0	0.0	69.0	4,362.6	9,315.6	9,165.5
Income			275.8	0.0	0.0	0.0	385.6	661.4	678.0
Net	28/0	42/8	4,608.2	0.0	0.0	69.0	3,977.0	8,654.2	8,487.5
Total	116/0	369/0	29,368.1	4.0	0.0	219.0	12,964.7	42,555.8	44,243.7

Major programme description

Composition

8.1. The major programme consists of five programmes: Office of the Deputy Director-General (810), Personnel Services (820), Financial Services (830), General Services (840) and Management Information Services (850), including the subprogrammes associated with the general administration of the Organization. The functions and responsibilities of the major programme and component programmes are described in the Director-General's Bulletins on the reorganization of the Secretariat of UNIDO (UNIDO/DG/B.26, Adds.1, 50, 60 and 71 and UNIDO/DG/B.156).

Basic aims

8.2. The functions of the Department are statutory in nature and include the provision of services in three main areas: (a) support to technical cooperation (programme support); (b) general administration (administration of UNIDO); and (c) overall supervision of common and joint services (services to other Vienna-based organizations). Within the context of the overall objectives of the Organization, the major programme is concerned with delivering effective and efficient personnel, financial, data processing and common and joint services including, in particular, the provision of support to technical cooperation.

8.3. As reflected in the medium-term plan, the major programme aims to take a coordinated and focused approach in carrying out its functions. It will endeavour, inter alia: to provide appropriate classification of jobs in all categories; to strengthen and implement the human resource management programme based on the programme needs of the Organization and recognition of merit of staff through skills analysis, future requirements, recruitment, upgrading of skills and continued management training; to secure, allocate and manage the available financial resources and to continue the process of enhancing the accounting and budget systems in order to achieve cost-efficient processing and improvement in financial reporting; to provide such essential services as purchasing, contracting, transportation and general maintenance in a cost-efficient and timely manner to the technical and industrial cooperation programmes of UNIDO as a whole; and to help increase staff productivity and efficiency through the use of an integrated management information system and related staff training.

Interlinkage

8.4. Within the overall structure of the Organization, the major programme comprises a number of closely linked functions which are vital to the efficient functioning of UNIDO. The implementation of UNIDO's policies, procedures, programmes and projects calls for adequate staff resources, administrative and operational support to technical cooperation, accurate financial information as well as effective financial control. The need to maintain the overall quality and timeliness of UNIDO's services demands continuous adjustment to the changing requirements of programme delivery. The increased diversity and complexity of technical cooperation activities require streamlined procedures and expanded use of automation and integration of systems.

Income

8.5. As pointed out in the basic aims, this major programme provides overall supervision of common and joint services to other Vienna-based organizations for which it receives reimbursement. These services relate to the operation of the VIC building complex, the costs of which are shared by UNIDO, UNOV, IAEA and others (banks, travel agencies); language training courses which are shared by UNIDO, UNOV and IAEA, and administrative services including financial, management information, personnel and other general services (purchase, contracts, archives and records, inventory control and property management, travel, transportation and shipment), the costs of which are apportioned between UNIDO and UNOV. Details of the income are shown in annex J.

8.6. The net expenditures of the major programme amount to $42,555,800 after deduction of income of $2,520,800. This figure represents a decrease of 3.8 per cent compared to the 1992-1993 biennium.

Major Programme: 800 ADMINISTRATION
Programme: 810 Office of the Deputy Director-General

1994-1995 resource requirements
(In thousands of dollars, at 1993 rates)

Regular and operational budgets

	Staff								Previous biennium
	Prof. wy/ms	GS/Other wy/ms	Cost	Consult.	Meetings	Travel	Other	Total	1992-1993
RB	6/0	8/0	1,030.0	0.0	0.0	10.0	895.6	1,935.6	2,194.7
OB	0/0	2/0	103.6	0.0	0.0	0.0	0.0	103.6	115.8
Total	6/0	10/0	1,133.6	0.0	0.0	10.0	895.6	2,039.2	2,310.5

Programme description

Development objectives

8.7. The Office of the Deputy Director-General is responsible for providing policy guidance and direction to the activities of the component programmes, ensuring coordination and cooperation with each other, as well as with all other programmes and subprogrammes within UNIDO. It formulates departmental goals and objectives and manages the process of programme planning and overall resource allocation within the Department. It also provides advice to the Director-General on areas and activities essential to the operation of the Organization as a whole, with particular emphasis on resource planning and management. Additionally, the Office of the Deputy Director-General is directly responsible for job classification in UNIDO as an integral part of resource management.

Relationship to medium-term plan priorities

8.8. By virtue of its central coordinating and managerial role, the programme ensures that the medium-term plan priorities are reflected to the extent possible in the activities of the various subprogrammes. The prime role is, for the most part, the provision of essential administrative and operational support through personnel, financial, general and data-processing services. The administrative and operational activities of the major programme constitute the basic back-up to the main activities of the Organization, combined with the language and documentation support services and legal, internal audit and public information functions carried out by other programmes.

New features

8.9. The human resource planning function has been absorbed into subprogramme 823 and the classification function remains within the programme. This reassignment of functions is aimed at optimizing the inherent complementarity between human resource planning and the whole of programme 820, Personnel Services, thus contributing to a more effective and efficient management and development of the Organization's staff.

Problems addressed

8.10. Since 1986, the Organization has had to cope with a series of financial crises while the demands on its services continue to grow. The main problem that continues to confront the programme is that of ensuring the continued delivery of essential support services to the rest of the Organization through enhancing operational efficiency and the increased use of automation in an environment of declining resources.

Objectives

8.11. The basic objectives of the programme are to provide effective management and direction to the activities of the major programme so as to enable its component units to meet their work targets as well as to ensure the appropriate classification of posts in all categories. Under a condition of severe resource constraints, the programme continues to keep under review work processes and procedures with a view to streamlining them and achieving increased operational efficiency and economy.

Output and activities

8.12. The programme plans and formulates departmental work programmes within the context of the overall objectives of the Organization. It guides, coordinates, monitors and follows up the implementation of these work programmes. In doing so, it ensures the effective financial and administrative management of the major programme. The programme also determines the post levels for all categories of staff.

8.13. During the biennium, the programme will continue to pay particular attention to the streamlining of procedures and the introduction, and updating, of computerized administrative systems to ensure the best possible use of the limited resources available to the major programme.

Coordination

8.14. As a management centre, the programme works closely and continuously with all the component units of the major programme Administration (800). It coordinates the work of the major programme with all the other major programmes in UNIDO. In particular, it advises and receives guidance from subprogramme 211, Office of the Director-General, in the overall management of the Department. It coordinates with all programmes and subprogrammes in classifying posts. It also coordinates with the IAEA and UNOV concerning joint library and security services.

Resource requirements

8.15. Over and above staff resources which carry out the work of the programme, provision is made for travel funds ($10,000) to enable staff to attend essential meetings connected with the work of the major programme. The programme also manages printing funds ($150,000) for the major programme as a whole. Other resources include hospitality funds for all UNIDO programmes ($41,400) and contributions to joint activities by United Nations bodies ($704,200).

8.16. In respect of staff resources, it should be pointed out that one General Service post allocated to the programme is dedicated exclusively to providing support as secretary to the UNIDO Staff Council.

Resource increases/decreases

8.17. Regular budget resources show a decrease of $259,100. This is the net result of: the abolition of a P-2 post ($133,800), the presentation of general temporary assistance ($190,000), overtime ($41,100), travel ($54,200) under the component programmes and the centralization of departmental printing requirements ($150,000) in the programme. Resources for joint library services and joint security and safety services are shown in programme 720, Other Services provided to UNIDO. The operational budget resources show a decrease of $12,200 in travel funds.

Major Programme: 800 ADMINISTRATION
Programme: 820 Personnel Services

1994-1995 resource requirements
(In thousands of dollars, at 1993 rates)

Regular and operational budgets

	Staff Prof. wy/ms	Staff GS/Other wy/ms	Cost	Consult.	Meetings	Travel	Other	Total	Previous biennium 1992-1993
RB gross	24/0	50/8	5,984.6	4.0	0.0	85.0	43.0	6,116.6	6,128.3
RB income			614.2	0.0	0.0	0.0	15.2	629.4	937.4
RB net	24/0	50/8	5,370.4	4.0	0.0	85.0	27.8	5,487.2	5,190.9
OB	2/0	20/0	1,235.4	0.0	0.0	0.0	0.0	1,235.4	1,480.2
Total	26/0	70/8	6,605.8	4.0	0.0	85.0	27.8	6,722.6	6,671.1

By subprogramme

	Staff Prof. wy/ms	Staff GS/Other wy/ms	Cost	Consult.	Meetings	Travel	Other	Total	Previous biennium 1992-1993
821 Recruitment									
Gross	6/0	16/0	1,460.0	0.0	0.0	0.0	0.0	1,460.0	1,735.8
Income			0.0	0.0	0.0	0.0	0.0	0.0	6.2
Net	6/0	16/0	1,460.0	0.0	0.0	0.0	0.0	1,460.0	1,729.6
822 Personnel Administration and Social Security									
Gross	10/0	32/0	2,762.8	4.0	0.0	0.0	0.0	2,766.8	2,827.6
Income			0.0	0.0	0.0	0.0	0.0	0.0	3.0
Net	10/0	32/0	2,762.8	4.0	0.0	0.0	0.0	2,766.8	2,824.6
823 Staff Development and Training									
Gross	8/0	18/0	2,523.0	0.0	0.0	0.0	38.0	2,561.0	2,596.3
Income			614.2	0.0	0.0	0.0	15.2	629.4	928.2
Net	8/0	18/0	1,908.8	0.0	0.0	0.0	22.8	1,931.6	1,668.1
824 Office of the Director	2/0	4/8	474.2	0.0	0.0	85.0	5.0	564.2	448.8
Total	26/0	70/8	6,605.8	4.0	0.0	85.0	27.8	6,722.6	6,671.1

Programme description

Development objectives

8.18. The main purpose of the programme is the effective management and development of the human resources of the Organization in line with a coherent personnel policy derived from the Constitution and the decisions of the policy-making organs. This involves rendering statutory services, maintaining sound staff-management relations, servicing all joint advisory bodies foreseen under the staff regulations and staff rules and providing social security services to staff as well as retirees.

Relationship to medium-term plan priorities

8.19. The programme aims to implement the decisions of the policy-making organs of the Organization, particularly those related to (a) the further development of a system of human resource planning and performance appraisal as an important tool of personnel management, (b) achieving a greater participation of women at all levels and (c) maintaining a balanced geographical distribution, by increasing the number of staff from the developing countries in particular at senior levels.

New features

8.20. Emphasis will be given to job-related staff training; the system of forecasting human resource needs of the Organization will be improved; a performance appraisal system for team work will be developed and improved; and intensified training effort will be carried out jointly with other parts of the Secretariat to improve the quality of the Organization's outputs and promote team work.

Variation over the previous biennium

8.21. The current programme differs from that of the previous biennium in the following respects. Firstly, staff training activities will be more closely linked with organizational efforts to develop and strengthen UNIDO's comparative advantage in its field of endeavours. Secondly, greater effort will be made to anticipate and forecast the human resource skills and knowledge needed by the Organization to stay competitive. Finally, the programme will assume a major and active role in promoting team work throughout the Secretariat.

8.22. Another variation stems from the presentation of resources for medical and library services in programme 720 instead of in this programme as was the case in the previous biennium. A further variation results from the withdrawal of the IAEA from the VIC Language Training Programme which is administered by this subprogramme. Apart from the expected reduction in income, the impact of this development is likely to be some diminution in the language training activities of the programme.

Major Programme: 800 ADMINISTRATION
Programme: 820 Personnel Services
Subprogramme: 821 Recruitment

1994-1995 resource requirements
(In thousands of dollars, at 1993 rates)

Regular and operational budgets

	Staff Prof. wy/ms	GS/Other wy/ms	Cost	Consult.	Meetings	Travel	Other	Total	Previous biennium 1992-1993
RB gross	6/0	6/0	942.0	0.0	0.0	0.0	0.0	942.0	942.0
RB income			0.0	0.0	0.0	0.0	0.0	0.0	6.2
RB net	6/0	6/0	942.0	0.0	0.0	0.0	0.0	942.0	935.8
OB	0/0	10/0	518.0	0.0	0.0	0.0	0.0	518.0	793.8
Total	6/0	16/0	1,460.0	0.0	0.0	0.0	0.0	1,460.0	1,729.6

Subprogramme description

Introduction

8.23. The subprogramme is responsible for the timely recruitment of the most qualified and suitable staff for Headquarters including staff performing short-term advisory services functions, UNIDO Country Directors, interregional and regional advisers and consultants. For this purpose, it maintains a continuously-updated roster of qualified candidates for secretariat and UNIDO Country Director posts and liaises with recruitment sources on a regular basis.

Problems addressed

8.24. The Organization is mandated to provide a variety of technical and operational services of a specialized nature for the promotion and acceleration of industrialization of developing countries in general and in the priority areas described in the medium-term plan, 1994-1999, in particular. The competitiveness and the high quality of the services rendered by UNIDO can only be ensured if the staff recruited possess the highest degree of competence specifically related to the fields of activities concerned. Progress in the industrialization process of the developing countries has resulted in the rapid change of their requirements for technical and operational services. Consequently, the Organization must continuously take into account these changing requirements. The problem to be addressed by the subprogramme is to ensure the timely recruitment of the most qualified and suitable staff, particularly in the Professional and higher categories, while giving due regard to the importance of a wide and equitable geographical distribution and the need to increase the number of staff, particularly at the senior levels, drawn from developing countries and of women for Professional posts.

Objectives

8.25. The main objectives of the subprogramme are to ensure timely recruitment of the most qualified and suitable staff in all categories and consultants for Headquarters and established posts, including UNIDO Country Directors, paying due attention to the need of ensuring wide and equitable geographical representation.

Output and activities

8.26. In pursuing its objectives, the subprogramme establishes and maintains liaison with recruitment sources; maintains and updates a roster of qualified candidates; formulates and circulates vacancy announcements; processes applications and oversees selection process; provides information and statistics for the preparation of reports on personnel matters to the policy-making organs of UNIDO and, as appropriate, for distribution within the United Nations system; represents the Organization in meetings of relevant United Nations bodies on recruitment matters.

8.27. To achieve its specific objectives, the subprogramme will develop and implement, jointly with other parts of the programme, a system for forecasting the human resource requirements of the Secretariat based on the desired mix of skills essential to programme delivery. For this purpose, it will keep relevant guidelines, instructions and procedures under review to ensure their responsiveness to the changing requirements of the Organization. It will also continue to speed up the recruitment process, while increasing the number of staff from developing countries, particularly those from un- or underrepresented countries, and female staff in the Secretariat. In this regard, the subprogramme will make the best use of the present UNIDO Country Director in such countries.

Coordination

8.28. The subprogramme coordinates closely with all organizational units of the Secretariat to which the subprogramme is providing its support services. The attainment of the objectives of the subprogramme depends very much on the cooperation of the entire organizational units of the Secretariat. Contacts with Permanent Missions are also maintained by the subprogramme on recruitment matters.

Resource requirements

8.29. The staff resources attached to the subprogramme will undertake the outputs and activities listed above. Resources for general temporary assistance, overtime, and travel are centrally located in subprogramme 824, Office of the Director, and may be drawn upon as required. Missions to update and enlarge the roster of suitable candidates may be required, as will attendance at meetings of joint bodies of the United Nations common system.

Resource increases/decreases

8.30. The subprogramme maintains the same level of regular budget resources as in the previous biennium. The resources under the operational budget show a decrease of $275,800 on account of the redeployment of one P-3 post to subprogramme 841, Purchase ($172,200), and the abolition of one General Service post ($103,600).

Major Programme: 800 ADMINISTRATION
Programme: 820 Personnel Services
Subprogramme: 822 Personnel Administration and Social Security

1994-1995 resource requirements
(In thousands of dollars, at 1993 rates)

Regular and operational budgets

	Staff Prof. wy/ms	Staff GS/Other wy/ms	Cost	Consult.	Meetings	Travel	Other	Total	Previous biennium 1992-1993
RB gross	10/0	24/0	2,348.4	4.0	0.0	0.0	0.0	2,352.4	2,244.8
RB income			0.0	0.0	0.0	0.0	0.0	00.0	3.0
RB net	10/0	24/0	2,348.4	4.0	0.0	0.0	00.0	2,352.4	2,241.8
OB	0/0	8/0	414.4	0.0	0.0	0.0	00.0	414.4	582.8
Total	10/0	32/0	2,762.8	4.0	0.0	0.0	00.0	2,766.8	2,824.6

Subprogramme description

Introduction

8.31. This subprogramme consists of two programme elements presented previously as subprogrammes 822 (Personnel Administration) and 823 (Social Security).

8.32. The subprogramme renders statutory services relating to the Organization. These relate on the one hand to the administration of all categories of staff at Headquarters and established offices including the UNIDO Country Directors and their local support staff and on the other hand to providing social security and staff welfare services to the Organization as a whole.

Problems addressed

8.33. Sound personnel management is a prerequisite to staff efficiency and sustained programme delivery. With continued and prolonged financial constraints, there is an even greater need to maintain staff morale and productivity, thus requiring increased responsiveness of the staff management systems. A constant review of resources and their efficient utilization becomes crucial.

8.34. A key element in ensuring efficient performance of the staff is a reliable health and life insurance scheme, pension system as well as an employee assistance programme looking after the promotion of the welfare of the staff.

Objectives

8.35. Specifically, the subprogramme is responsible for the efficient administration of all categories of staff at Headquarters, established offices, UNIDO Country Directors and their support staff. In accordance with the implementation of the objectives set out in the medium-term plan, 1992-1997 (PBC.7/17), a further development of personnel procedures and policies will be applied. This includes active participation in the activities of the United Nations common system on salaries, allowances and related conditions of service, particularly those of locally recruited staff. In cooperation with the Office of the Director, the subprogramme monitors the performance appraisal system and recommends improvements and is charged with developing an evaluation system for the establishment of trust funds and evaluation of team work.

8.36. The subprogramme contributes to the effective and efficient functioning of UNIDO by providing social security services and promoting staff welfare.

Output and activities

8.37. The subprogramme will continue to pursue an integrated approach to ensure that staff are effectively employed and increasingly motivated through the application of appropriate measures in accordance with the objectives and guidelines provided by the policy-making organs and laid down in the staff regulations on service and career development. As part of this process, the performance appraisal system is under constant review and is modified to make it more responsive to the changing needs of the Organization. In this regard, a performance appraisal system for team work will be developed and implemented.

8.38. Administrative instructions and guidelines which form part of the Personnel Manual are continuously revised and issued to the staff at large, the main concern being correct, fair and consistent interpretation and application of rules and procedures.

8.39. The subprogramme continues to advise the staff on personnel policies and together with a wide range of career development measures, ensures full utilization and development of human resources while maintaining sound staff-management relations.

8.40. The revised guidelines of the appointment and promotion bodies are likewise subject to continuous review to incorporate appropriate improvements.

8.41. Further improvement of the available databases and continued computerization of procedures will further increase the efficiency of the work of the subprogramme and provide an improved basis for better planning and assignment of human resources. The subprogramme will work closely with other parts of the programme to develop and implement a human resource planning system as a basis for the formulation of recruitment plans, staff training and overall management of the Organization's human resources.

8.42. The subprogramme negotiates and administers all medical insurance schemes for serving staff and retirees. It administers the regulations and rules of the UNJSPF and provides secretarial services to the UNIDO Staff Pension Committee and the Compensation Claims Boards. It also renders assistance to active staff to alleviate or resolve occupational, family, financial and other problems as well as for separated staff and retirees concerning after-service health and life insurance coverages and pension payments to beneficiaries and survivors.

Coordination

8.43. The subprogramme coordinates with subprogramme 211, Office of the Director-General, subprogramme 810, Office of the Deputy Director-General, subprogramme 214, Legal Service, other subprogrammes of the Division, servicing operations (programme 830, Financial Services, subprogrammes 841 and 842, Purchase and Contracts, and subprogramme 842, Project Personnel Recruitment and Administration), the VIC Medical Service, the Joint Advisory Committee, the boards dealing with compensation claims, insurers and the UNIDO Staff Pension Committee on a regular basis. It also liaises continuously with staff representatives on matters of interest to the staff at large.

8.44. Coordination also takes place with the common system (ACC, ICSC, CCAQ, UNJSPB) and with the Office of Human Resources Management, United Nations, in connection with the administration of staff in the Languages and Documentation Division as well as with UNDP and United Nations on security-related matters. The subprogramme likewise coordinates with other Vienna-based organizations on issues of common interest.

Resource requirements

8.45. The work of the subprogramme is carried out by the staff attached to it. Consultant funds ($4,000) will be needed to hire an insurance consultant to assess the responses to tenders for insurance coverage of risks under appendix D of the Staff Rules (Rules Governing Compensation in the Event of Death, Injury or Illness Attributable to the Performance of Official Duties on Behalf of the Organization). Resources for general temporary assistance, overtime and travel are centrally located in subprogramme 824, Office of the Director, and may be drawn upon as required.

Resource increases/decreases

8.46. Regular budget resources show an increase of $107,600. This is made up of the redeployment of one General Service post from subprogramme 843, Other General Services ($103,600), and consultant funds ($4,000). Operational budget resources have decreased by $168,400 on account of the redeployment of one General Service principal post to subprogramme 843, Other General Services. Missions required for meetings of joint bodies of the United Nations common system will be covered from travel resources centralized in the Office of the Director (subprogramme 824).

Major Programme: 800 ADMINISTRATION
Programme: 820 Personnel Services
Subprogramme: 823 Staff Development and Training

1994-1995 resource requirements
(In thousands of dollars, at 1993 rates)

Regular and operational budgets

	Staff Prof. wy/ms	GS/Other wy/ms	Cost	Consult.	Meetings	Travel	Other	Total	Previous biennium 1992-1993
RB gross	6/0	16/0	2,220.0	0.0	0.0	0.0	38.0	2,258.0	2,492.7
RB income			614.2	0.0	0.0	0.0	15.2	629.4	928.2
RB net	6/0	16/0	1,605.8	0.0	0.0	0.0	22.8	1,628.6	1,564.5
OB	2/0	2/0	303.0	0.0	0.0	0.0	0.0	303.0	103.6
Total	8/0	18/0	1,908.8	0.0	0.0	0.0	22.8	1,931.6	1,668.1

Subprogramme description

Introduction

8.47. This subprogramme was the result of organizational changes undertaken in the Secretariat in July 1992. The resources of this subprogramme consist of two previous programme elements, namely a part of subprogramme 811 (Human Resources Planning in the Office of the DDG/ADM) and subprogramme 824 (Language Training).

8.48. The subprogramme contributes to organizational and management development and is responsible for analysing future skills and staff needs. It also formulates and coordinates staff development and training policies to update technical and managerial skills, manage the computer-related staff development programme and contribute to human resource planning of the Secretariat in cooperation with other units of the programme by designing and implementing succession planning schemes.

8.49. As an integral part of the career development and training programme, the subprogramme provides language training as a common service for all Vienna-based organizations in line with the requirements of relevant United Nations General Assembly resolutions, the arrangements among the Vienna-based organizations, regarding the VIC Language Training Programme and document IDB.1/26. The subprogramme is also responsible for administering the internship programme of UNIDO.

Problems addressed

8.50. UNIDO is operating in a rapidly changing and highly competitive international environment and the industrial development needs of its Member States continue to change in complexity and diversity. The ability of the Organization to cope with new demands of its Member States depends, to a large degree, on its capacity to plan its future skills requirements and develop more effective and efficient management practices.

8.51. A major challenge will be the training and retraining of staff as a result of the evolving needs of the Organization and continued financial constraints.

8.52. The subprogramme is also confronted with the challenge of upgrading the substantive technical skills and knowledge of the staff specially in the priority areas of the medium-term plan and EDP-related skills. Furthermore, there is an urgent requirement for: developing effective management and leadership skills, improving intercultural communication skills and increasing team performance to support the process of organizational change.

8.53. In addition, the international and multicultural character of the Organization requires varied linguistic capabilities to serve the industrial development needs of its numerous Member States. Time and translation costs can be saved and better services provided if staff are able to communicate orally and in writing in more than one official language. New staff need also to update linguistic skills to be more effective in their present or future assignments.

8.54. The subprogramme also faces the additional task of placing and administering the internship programme to provide young university graduates with an opportunity to gain practical experience in the work of UNIDO or conduct research on items of direct relevance to the organization's programmes.

Objectives

8.55. The main objective of the subprogramme is to support the organizational change process by ensuring the availability of appropriate in-house knowledge and skills to carry out UNIDO's mandates and new programmes and services effectively.

8.56. In this context, the subprogramme contributes to organization development interventions and to forecasting the human resource requirements of the Organization as a basis for recruitment and management successions plans. A crucial contribution of the subprogramme is the design and implementation of training and retraining activities for senior managers, professionals and general service staff in technical fields, management and leadership development and language to support the work programmes of all Departments in UNIDO.

Output and activities

8.57. The subprogramme organizes executive management workshops for senior staff to support the organizational change process and improve the overall management of the organization resources.

8.58. It also coordinates studies to determine future skills requirements while continuing to update the design and implementation of a computer-based skills inventory system to provide a sound information base for the effective management of human resources in the Organization.

8.59. It also designs and conducts training for senior management, professionals and support staff. The main areas of intervention are: orientation, technical skills upgrading, management development, language and communication skills, and general knowledge updating. In addition to upgrading technical skills, emphasis will be placed on team work, intercultural communication, management of change, strategic planning, leadership styles and effective management in order to support new programme and service demands and to facilitate the application of more efficient management practices.

8.60. The subprogramme will continue to enhance the ongoing training of staff in the use of computers as a means of raising the efficiency and effectiveness of the Organization's work. Computer-related training services may be provided to other organizations and representatives of Member States on a need basis during the biennium.

8.61. The subprogramme designs, organizes and holds language courses in seven languages leading to proficiency level as well as post-proficiency language workshops to help staff improve their knowledge and use of the languages.

8.62. The total estimated enrolment for VIC agencies per semester is 650. During the biennium some 330 staff members are expected to pass the proficiency examination, 150 of whom will have acquired proficiency through the Language Training Programme and will therefore be expected to be more effective and versatile in the workplace. None the less, the withdrawal of the IAEA from the VIC Language Training Programme is expected to reduce the number of training hours offered by the programme.

8.63. Overall training activities comprise a total of 35,000 trainee hours per year for UNIDO staff in all training areas including language training.

8.64. The subprogramme is also responsible for the screening, selection and placement of interns in various programmes of the Organization.

Coordination

8.65. The subprogramme cooperates and coordinates with all programmes and subprogrammes in designing and conducting training activities and in carrying out human resource studies and analyses. In particular, it works closely with other subprogrammes of programme 820, Personnel Services, and programme 210, Executive Direction and Management, in the area of human resource planning and development.

8.66. The subprogramme also coordinates with all Vienna-based organizations participating in the common service. It works with all major programmes in UNIDO on the internship programme.

Resource requirements

8.67. The staff resources shown include provision for staff development, joint language training and full-time language teachers to carry out the work of the subprogramme. A P-4 post has been upgraded to P-5 for the Chief of the Section to reflect the classification of the post and the level of the incumbent. One language teacher post is abolished following the withdrawal of the International Atomic

Energy Agency (IAEA) from the Joint Language Training programme. One P-4 post has been redeployed from subprogramme 841, Purchase, in order to accommodate the proposed recruitment of a training officer during the biennium.

Resource increases/decreases

8.68. Regular budget resources have increased by $64,100. This comprises the upgrading of a P-4 post to P-5, the abolition of one language teacher post, reduction in part-time language teacher resources, and increases in career development training and acquisition, repair and maintenance of equipment, photocopying and printing in language training. The operational budget resource increase of $199,400 is in respect of the redeployment of the P-4 post referred to above. The increase in resources is vital to the ongoing efforts of the Secretariat to build and upgrade the skills and knowledge of its staff to keep pace with the growing demands of programme delivery. At the same time, one language teacher post has been abolished and the number of hours for contractual language teachers reduced as a result of the withdrawal of the IAEA from the joint language training service.

Major Programme: 800 ADMINISTRATION
Programme: 820 Personnel Services
Subprogramme: 824 Office of the Director

1994-1995 resource requirements
(In thousands of dollars, at 1993 rates)

Regular and operational budgets

	Staff Prof. wy/ms	 GS/Other wy/ms	Cost	Consult.	Meetings	Travel	Other	Total	Previous biennium 1992-1993
RB	2/0	4/8	474.2	0.0	0.0	85.0	5.0	564.2	448.8
OB	0/0	0/0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total	2/0	4/8	474.2	0.0	0.0	85.0	5.0	564.2	448.8

Subprogramme description

Introduction

8.69. The subprogramme is responsible for the overall management of the three component subprogrammes (Recruitment, Personnel Administration, and Social Security and Staff Development and Training) and the effective coordination of the programme's activities with all programmes of the Secretariat.

Problems addressed

8.70. The main challenge confronting the subprogramme is the continued delivery of essential services to the rest of UNIDO under conditions of continued financial constraints. At the same time, it faces the problem of adjusting the activities of programme 810, Personnel Services, to cope with the changing requirements of programme delivery. In particular, the subprogramme needs to ensure that the human resources of the Organization are managed and developed properly while maintaining the appropriate mix of knowledge and skills required by the programmes of the Organization. It also has to ensure the recruitment and promotion of an increasing percentage of female staff in the Secretariat while striving to maintain equitable geographical representation.

Objectives

8.71. The main objective is to manage and guide the work of the component units to enable them to carry out their respective mandates in the most effective and efficient manner possible, thus contributing to achieving the overall objectives of the Organization and maintaining sound staff-management relations.

Output and activities

8.72. The subprogramme provides advice to the Director-General, the Deputy Directors-General and other senior staff on all matters related to human resource management and personnel policy. It coordinates revisions to staff regulations and rules, the UNIDO Personnel Manual and policies for personnel management, salaries and allowances governing the conditions of service of all categories of staff (headquarters, project personnel, consultants, UNIDO Country Directors, locally recruited support staff). It also coordinates all activities related to the improvement of the status of women in the Secretariat. In addition, the subprogramme formulates and coordinates the position of UNIDO in relation to the ICSC, CCAQ and other such bodies on all personnel matters and determines the appropriate representation of UNIDO at meetings of those bodies. It prepares the Director-General's reports on personnel questions including statistical data on the composition of the Secretariat, geographical distribution, status of women and other personnel-related subjects. It represents UNIDO in inter-agency meetings of the United Nations common system including ICSC, CCAQ and its technical bodies.

Coordination

8.73. The subprogramme maintains continuing contacts with Member States, policy-making organs, ICSC, CCAQ and the United Nations Joint Staff Pension Board. It coordinates closely with all parts of the UNIDO Secretariat, in particular subprogramme 211, Office of the Director-General, and subprogramme 810, Office of the Deputy Director-General (Administration), and consults regularly with the other Vienna-based organizations on personnel matters.

Resource requirements

8.74. The work of the subprogramme is carried out by the staff attached to it. Provision for general temporary assistance, overtime and travel for the whole programme shown previously in programme 810 is now presented in this subprogramme.

Resource increases/decreases

8.75. Regular budget resource requirements have increased by $115,400. This is made up of general temporary assistance ($20,400), overtime ($5,000) and travel funds ($85,000) which were previously shown in programme 810, Office of the Deputy Director-General. In addition, $5,000 is required to host a United Nations common system meeting during the biennium. The travel funds are required to meet the statutory requirements of the functions of the programme relating to UNIDO participation in the meetings of joint bodies of the United Nations system.

Major Programme: 800 ADMINISTRATION
Programme: 830 Financial Services

1994-1995 resource requirements
(In thousands of dollars, at 1993 rates)

Regular and operational budgets

	Staff Prof. wy/ms	Staff GS/Other wy/ms	Cost	Consult.	Meetings	Travel	Other	Total	Previous biennium 1992-1993
RB gross	24/0	55/6	5,269.6	0.0	0.0	25.0	0.0	5,294.6	5,546.4
RB income			0.0	0.0	0.0	0.0	0.0	0.0	368.2
RB net	24/0	55/6	5,269.6	0.0	0.0	25.0	0.0	5,294.6	5,178.2
OB	2/0	56/9	3,163.2	0.0	0.0	0.0	0.0	3,163.2	3,858.4
Total	26/0	112/3	8,432.8	0.0	0.0	25.0	0.0	8,457.8	9,036.6

By subprogramme

	Staff Prof. wy/ms	Staff GS/Other wy/ms	Cost	Consult.	Meetings	Travel	Other	Total	Previous biennium 1992-1993
831 Budget									
	12/0	8/0	1,523.0	0.0	0.0	0.0	0.0	1,523.0	1,350.8
832 Financial Management of Technical Cooperation									
	4/0	24/0	1,739.8	0.0	0.0	0.0	0.0	1,739.8	1,947.0
833 Accounts and Payments									
Gross	4/0	68/0	3,954.2	0.0	0.0	0.0	0.0	3,954.2	4,877.6
Income			0.0	0.0	0.0	0.0	0.0	0.0	254.2
Net	4/0	68/0	3,954.2	0.0	0.0	0.0	0.0	3,954.2	4,623.4
834 Treasury									
Gross	4/0	8/0	780.6	0.0	0.0	0.0	0.0	780.6	780.6
Income			0.0	0.0	0.0	0.0	0.0	0.0	114.0
Net	4/0	8/0	780.6	0.0	0.0	0.0	0.0	780.6	666.6
835 Office of the Director									
	2/0	4/3	435.2	0.0	0.0	25.0	0.0	460.2	448.8
Total	26/0	112/3	8,432.8	0.0	0.0	25.0	0.0	8,457.8	9,036.6

Programme description

Development objectives

8.76. The paramount objective of the programme is to ensure the efficient management of the financial resources available to the Organization having regard to the financial regulations and rules and specific decisions of the policy-making organs. A planned and effective utilization of resources will assist the Organization in fulfilling its mandate to promote industrial development in the developing countries. To meet its objectives, the programme seeks to ensure that in implementing the programme of UNIDO, the principle of cost effectiveness is given highest priority.

8.77. Management of the financial resources encompasses a number of areas of financial management including budgeting, planning, forecasting, expenditure control, cash management, accounting and reporting. The programme is responsible for the financial management of the technical cooperation and industrial promotion projects of UNIDO; the regular and operational budget programmes and activities; the activities of UNOV under the agreement to provide joint services; and special funds and accounts established under the financial regulations.

Relationship to medium-term plan priorities

8.78. The programme provides support to other administrative programmes and to substantive programmes responding to the medium-term plan priorities. The cost-effective implementation of the medium-term plan priorities demands a greater degree of managerial and financial responsibility from managers responsible for programme activities and outputs. The provision of concise and timely financial reports and the streamlining of administrative procedures will assist managers to implement the programmes under their responsibility. Additional improvements will be made during the biennium in the programme budget presentation to further clarify the linkage between resources and activities and outputs.

New features

8.79. The ongoing review and increased computerization of financial procedures will continue in the biennium. Financial reporting will be improved as will decentralization of financial controls to provide greater flexibility and responsibility to programme managers.

Variation over the previous biennium

8.80. A major change in the activities of the programme stems from the decision of the United Nations to assume responsibility for the financial services previously rendered by UNIDO to UNOV.

Major Programme: 800 ADMINISTRATION
Programme 830: Financial Services
Subprogramme: 831 Budget

1994-1995 resource requirements
(In thousands of dollars, at 1993 rates)

Regular and operational budgets

	Staff Prof. wy/ms	Staff GS/Other wy/ms	Cost	Consult.	Meetings	Travel	Other	Total	Previous biennium 1992-1993
RB	12/0	8/0	1,523.0	0.0	0.0	0.0	0.0	1,523.0	1,350.8
OB	0/0	0/0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total	12/0	8/0	1,523.0	0.0	0.0	0.0	0.0	1,523.0	1,350.8

Subprogramme description

Introduction

8.81. The subprogramme is responsible for budgetary and financial control functions at UNIDO Headquarters and in the field. This includes the preparation of the Organization's biennial budgets, the financial analysis of budget implementation, planning of expenditures and income on activities financed from all sources of funds, issuance and recording of budgetary allocations for the regular and operational budgets, special accounts and non-UNIDO activities and providing financial information and reports to management and the policy-making organs of UNIDO on the budget.

Problems addressed

8.82. UNIDO continues to cope with the challenge of ensuring programme delivery within the context of zero real growth budgets. At the same time, the unpredictable pattern and late payments of assessed contributions by Member States presents certain difficulties in managing the cash flow of the Organization.

Controls imposed on the regular budget such as the mandatory holding of 15 per cent reserve of appropriations pending receipt of contributions and higher-than-normal vacancy factors have complicated the management of the Organization's financial resources. There is continued uncertainty regarding the income level from the UNDP support cost reimbursement and successor arrangements. The subprogramme therefore has to ensure that all available resources are allocated to support programme delivery within the context of these constraints.

Objectives

8.83. The basic objective of the subprogramme is to plan, prepare, manage and implement the regular and operational budgets of the Organization in accordance with the decisions of the policy-making organs and in such a manner as will ensure optimum financial support to programme delivery.

Output and activities

8.84. The subprogramme contributes to the drawing up of policies and procedures for the preparation of biennial programme budgets and financial performance reports. It also prepares budget estimates for the biennial programme budget, and medium-term plan based on proposals submitted by various programme managers for the legislative bodies of the Organization. The subprogramme likewise prepares financial data and reports for the Programme and Budget Committee, Industrial Development Board and the General Conference. It continues to be responsible for the financial management of UNIDO Country Director programmes. The subprogramme will continue to maintain the allotment account system; issue programme allotment documents pertaining to the regular and operational budgets; prepare financial implementation reports for management; prepare operational budget status reports and projections based on income and expenditures; maintain the analytical review of expenditures to determine the optimal mix of US dollars and Austrian schillings; certify staffing actions and maintain UNIDO's staffing tables; prepare reports for the implementation of IDDA activities; draft responses to the observations of the External Auditors; and enhance the fixed-dollar reporting system. The subprogramme will continue to work closely with Management Information Services (programme 850) to migrate the budget preparation system to the mainframe, to continue to improve the quality of the financial reports, and to introduce an on-line access and report preparation system for UNIDO staffing tables. A review of budget methodology and systems operated by other United Nations agencies will be undertaken.

Coordination

8.85. The subprogramme maintains continuous consultations and contacts with the Office of the Director-General (211), the Strategy, Policy and Planning subprogramme (216), and senior programme managers as well as the Management Information Services subprogramme 850. It also maintains regular contacts with Permanent Missions and with IAEA, UNDP, UNOV and other United Nations bodies.

Resource requirements

8.86. The outputs and activities listed above will be undertaken by the staff attached to the subprogramme. Provision is made for a modest level of non-staff resources, such as travel, overtime and general temporary assistance which may be made available as required by subprogramme 835, Office of the Director.

Resource increases/decreases

8.87. The regular budget resources have increased by $172,200 on account of the following:

8.88. In the 1992-1993 budget, two Professional-level posts and one General Service post were redeployed to other subprogrammes in the Department of Administration because of the expectation of a reduced level of work resulting from a division of work between the subprogramme and subprogramme 216, Strategy, Policy and Planning Office, pertaining to programme planning and budgeting and in anticipation of work improvements arising out of increased use of computerization. The ongoing level of work, however, has indicated that the subprogramme cannot function effectively and efficiently without some of the staff resources previously assigned to it. Thus one P-3 post ($172,200) is redeployed from subprogramme 842, Contracts, and one General Service post ($103,600) from subprogramme 841, Purchase. At the same time, a General Service post ($103,600) is redeployed to subprogramme 833, Accounts and Payments. The increase in staff resources affects only the regular budget as no allocation is made to the subprogramme under the operational budget.

Major Programme: 800 ADMINISTRATION
Programme: 830 Financial Services
Subprogramme: 832 Financial Management of Technical Cooperation

1994-1995 resource requirements
(In thousands of dollars, at 1993 rates)

Regular and operational budgets

	Staff								
	Prof. wy/ms	GS/Other wy/ms	Cost	Consult.	Meetings	Travel	Other	Total	Previous biennium 1992-1993
RB	2/0	18/0	1,196.6	0.0	0.0	0.0	0.0	1,196.6	1,300.2
OB	2/0	6/0	543.2	0.0	0.0	0.0	0.0	543.2	646.8
Total	4/0	24/0	1,739.8	0.0	0.0	0.0	0.0	1,739.8	1,947.0

Subprogramme description

Introduction

8.89. The subprogramme is responsible for the overall financial management and control of the Organization's technical cooperation and industrial promotion activities.

Problems addressed

8.90. The effective administration and coordination of all aspects of financial control, implementation, reporting and analysis of UNIDO's technical cooperation activities for 2,100 projects financed from some 50 fund sources requires accurate and prompt financial input. The financial diversity and complexity of the technical cooperation programme, together with the increasing thrust of non-UNDP funded activities (Genetic Engineering and Biotechnology, Industrial Development Fund, Special Trust Funds) and the intensification of efforts to mobilize further non-UNDP funds, has generated a substantial workload straining the capacity of the subprogramme to carry out assigned tasks with the current level of staff resources.

Objectives

8.91. The basic objectives of the subprogramme are the expeditious and accurate financial administration and implementation of the technical cooperation programme, the reporting and analysis of implementation, and the provision of guidance and direction to substantive units on matters related thereto.

Output and activities

8.92. Within the context of programme delivery, the subprogramme certifies the availability of funds and undertakes and monitors financial implementation of technical cooperation projects; maintains financial reporting systems for technical cooperation activities and provides information and statistics for reports for the legislative bodies of UNIDO; and prepares forecasts and analysis of technical cooperation project expenditures. The subprogramme will continue its computerization programme to enable it to carry out assigned tasks within the current level of staff resources.

Coordination

8.93. Close contact and coordination is maintained with all major programmes, programmes and subprogrammes which are involved with technical cooperation and industrial promotion activities, as well as with senior management in respect of the reporting analysis of these activities.

Resource requirements

8.94. The staff resources attached to the subprogramme will produce the outputs and undertake the activities of the subprogramme. Provision is made for a modest amount of non-staff resources, such as travel, overtime and general temporary assistance in subprogramme 835, Office of the Director, and these will be made available as and when required.

Resource increases/decreases

8.95. Regular budget resources have decreased by $103,600 because of the redeployment of one General Service post to subprogramme 833, Accounts and Payments. Similarly, the same amount of resource decrease ($103,600) is shown in the operational budget on account of the abolition of one General Service post. These staff reductions reflect the diminished levels of technical cooperation delivery expected during the biennium.

Major Programme: 800 ADMINISTRATION
Programme: 830 Financial Services
Subprogramme: 833 Accounts and Payments

1994-1995 resource requirements
(In thousands of dollars, at 1993 rates)

Regular and operational budgets

	Staff Prof. wy/ms	GS/Other wy/ms	Cost	Consult.	Meetings	Travel	Other	Total	Previous biennium 1992-1993
RB gross	4/0	22/0	1,571.4	0.0	0.0	0.0	0.0	1,571.4	1,976.8
RB income			0.0	0.0	0.0	0.0	0.0	0.0	254.2
RB net	4/0	22/0	1,571.4	0.0	0.0	0.0	0.0	1,571.4	1,722.6
OB	0/0	46/0	2,382.8	0.0	0.0	0.0	0.0	2,382.8	2,900.8
Total	4/0	68/0	3,954.2	0.0	0.0	0.0	0.0	3,954.2	4,623.4

Subprogramme description

Introduction

8.96. The subprogramme comprises two distinct units: the Accounts Unit, which maintains records of all financial transactions undertaken by UNIDO and prepares financial statements and reports for submission to the Organization's management and to its policy-making organs. The Payments Unit processes all UNIDO payments including headquarters and experts payroll, purchases, contracts, travel and other claims, and authorizes disbursement through the Treasury.

Problems addressed

8.97. In carrying out its mandate, UNIDO interacts and enters into financial transactions with many other organizations and individuals, both within the United Nations system: UNDP, United Nations Headquarters in New York, UNOV in Vienna, the regional economic commissions and other specialized agencies such as IAEA, WHO, ILO, FAO etc.; and outside it: contractors, suppliers, IDF and trust fund donors, NGOs and governmental agencies, individual consultants, retired staff members and members of the general public. In addition to the funds emanating from its own regular budget, UNIDO exercises stewardship over and accounts for substantial sums entrusted to it for a wide range of purposes connected with the fulfilment of its mandate. Regardless of the problems of distance, communications, language, and widely disparate legal frameworks and regulations in the countries of its operations, UNIDO must exercise tight control over the funds entrusted to it, from whatever source, and account accurately and promptly for all income to and disbursements from such funds. It is the complexity, diversity and sheer volume of UNIDO's financial operations, compared to those of a commercial or industrial company with comparable staff complement, which determines the level of human and other resources needed for the task.

8.98. While the demand for UNIDO's accounting and payments services has grown substantially in recent years (by 17 per cent in 1991), the number of staff providing these services has remained static. In the context of a zero-growth budget, the subprogramme will find respite from staffing constraints only through increased and more effective automation. Much has been achieved in recent years, e.g. the mainframe claims payment system and the PC-based IDF accounting system; however, the next major improvements - on-line payment and journal voucher preparation - while reducing the workload for data entry in Management Information Services (programme 850) will bring about a corresponding increase in the workload of the subprogramme. Other systems, such as the headquarters and experts payroll system which operate on obsolete software, have been assigned low priority by the Management Information Services and will therefore continue to be highly labour-intensive for the foreseeable future. Further respite would result from upgrading and/or supplementing the hardware resources of the section, since virtually every member of its staff could benefit from PC and mainframe access.

Objectives

8.99. The objectives of the subprogramme are the proper recording of UNIDO's financial transactions; the preparation of financial statements as stipulated in article X of the financial regulations; the prompt and accurate payment of staff salaries and entitlements and of obligations to vendors and contractors; and the judicious recording and control of the financial assets and liabilities of the Organization. The subprogramme pursues similar objectives in respect of special funds such as the Major Repair Fund, and of self-financing activities such as catering and garage operations, which are outside the regular and operational budgets. It is also required to prepare a wide range of periodic financial reports for senior management, IDF and trust fund donors, UNDP and other executing agencies.

Output and activities

8.100. The subprogramme encompasses two distinct types of activity. Its Accounts Unit is responsible for processing and maintaining records of all financial transactions arising from UNIDO operations, both at Headquarters and in the field, preparing financial statements and drafting special reports and analyses on financial topics as required by the Organization's management. It also prepares financial statements for submission to UNIDO's policy-making organs through the External Auditors, to UNDP Resident Representatives, UNDP and United Nations Headquarters. Accounting for self-supporting activities - catering and garage - and for the Major Repair Fund on behalf of the four-partite committee of the VIC organizations falls within the scope of work of the Unit. Field transactions include all those arising in UNDP offices world wide which concern UNIDO-executed projects and UNIDO project personnel. The Unit also undertakes the monthly reconciliation of assets and liabilities for all funds, controls the status of IDF contributions and trust funds, and reports to donors on progress in implementing projects funded from these sources. The unit controls and manages the funds provided by Member States for the operation of the nine IPSs and Moscow and Beijing Centres. The preparation, processing and follow-up of VAT reclaimed from the Austrian Finance Ministry on behalf of the Organization falls under the responsibilities of the Section, as does the administration of the scheme under which certain VIC costs are shared between the agencies for whom they are incurred. In addition, the Unit also carries out a number of tasks for the benefit of staff members, both active and retired. Thus it submits their claims for refunds of VAT and petrol tax to the relevant authorities, accounts for their and the Organization's contributions to the United Nations Joint Staff Pension Fund and operates the after-service health insurance scheme for some 260 retirees. It also computes the tax liability and accounts for the payments of income tax for those staff who are liable to tax on their UNIDO emoluments.

8.101. The Payments Unit is responsible for the monthly computation of the regular payroll - UNIDO secretariat staff, including short-term conference staff, a total of 1,650 - and of the experts payroll, which encompasses all staff recruited under technical cooperation projects, those holding Special Service Agreements, and project personnel supplied under reimbursable loans - approximately 1,200 in total. Further duties concern verification and payment of all obligations resulting from maintenance, insurance and other contracts, equipment purchases, study tours and fellowships. Authorization of and accounting for travel advances to UNIDO Headquarters and project staff, together with the settlement of claims submitted by these staff members, falls within the scope of the unit, as does the settlement of education grant entitlements, payment of advances and accounting for these advances at the end of scholastic years.

Coordination

8.102. The subprogramme interacts closely with other units in the programme, and with the other programmes in major programme 800, Personnel, Management Information Services and General Services programmes. Close contact is also maintained with all other major programmes, programmes and subprogrammes of UNIDO whose activities have financial impact, UNDP headquarters and field offices, and with United Nations Headquarters.

Resource requirements

8.103. The work of the subprogramme will be carried out by the staff assigned to the subprogramme, assisted where appropriate, by a systems analyst attached to subprogramme 835, Office of the Director, and by programme 850, Management Information Services. Four General Service posts have been abolished to offset the reduced income as a result of UNOV no longer requiring the services hitherto provided by the subprogramme. In addition, two General Service principal posts have been abolished. Two General Service posts have been redeployed to the subprogramme from subprogrammes 831, Budget, and 832, Financial Management of Technical Cooperation, while a P-3 post is redeployed to subprogramme 421, Industrial Investment Programme.

8.104. Resources for general temporary assistance, overtime and travel are available in subprogramme 835, Office of the Director, and may be drawn upon to fill the need for temporary replacement of staff, meet peak workloads and for travel to meetings of joint bodies of the United Nations system.

Resource increases/decreases

8.105. The decrease in resources of $13,100 in the regular budget is the net effect of the following:

8.106. In order to rationalize work practices in the subprogramme, two General Service principal posts are abolished and a P-3 post redeployed to subprogramme 421, Industrial Investment Programme. Two General Service posts are redeployed to the subprogramme from subprogrammes 831, Budget and 832, Financial Management of Technical Cooperation. Three General Service posts are converted from the operational budget to the regular budget to provide a more balanced allocation of resources in the subprogramme.

8.107. The operational budget resources have decreased by $518,000 on account of the conversion of three General Service posts ($310,800) to the regular budget and the abolition of two General Service posts ($207,200).

Major Programme: 800 ADMINISTRATION
Programme: 830 Financial Services
Subprogramme: 834 Treasury

1994-1995 resource requirements
(In thousands of dollars, at 1993 rates)

Regular and operational budgets

	Staff Prof. wy/ms	GS/Other wy/ms	Cost	Consult.	Meetings	Travel	Other	Total	Previous biennium 1992-1993
RB gross	4/0	4/0	573.4	0.0	0.0	0.0	0.0	573.4	573.4
RB income			0.0	0.0	0.0	0.0	0.0	0.0	114.0
RB net	4/0	4/0	573.4	0.0	0.0	0.0	0.0	573.4	459.4
OB	0/0	4/0	207.2	0.0	0.0	0.0	0.0	207.2	207.2
Total	4/0	8/0	780.6	0.0	0.0	0.0	0.0	780.6	666.6

Subprogramme description

Introduction

8.108. The subprogramme is responsible for managing and controlling the receipt, custody, disbursement and investment of all funds entrusted to or belonging to UNIDO and the design of the Treasury system including appropriate liaison with Management Information Services.

Problems addressed

8.109. Decisions on the financial management of the resources of the Organization including the receipt, custody, disbursement and investment of all funds entrusted to or belonging to UNIDO, have to be based on sound financial planning. The rapidly changing political and economic climate affecting Member States of UNIDO adds to the complexity of managing financial resources from numerous sources for a variety of purposes. The problems have been compounded by the unpredictable pattern of payment of assessed contributions and the uncertainty surrounding projected income from technical cooperation with the changes in the system of tripartite cooperation.

Objectives

8.110. The objective of the subprogramme is to ensure that the assessed contributions of UNIDO are received on a timely basis and that the resources entrusted to the Organization are properly managed, secured and invested.

Output and activities

8.111. The subprogramme develops and prepares financial performance reports. It also ensures: (a) the accurate preparation of the UNIDO scale of assessment for approval by the General Conference; (b) the transmittal of clear and timely communications to Member States informing them of their annual obligations for assessed contributions and working capital and in respect of voluntary contributions when applicable; (c) prompt acknowledgement of receipt and reporting on the status of contributions; and (d) management and control of the receipt, custody, disbursement and investment of all funds. It also contributes to the management of the financial resources of UNIDO and initiates and implements improvements to the Organization's financial systems, in particular, to enhancing computerization of treasury functions.

Coordination

8.112. The subprogramme maintains close contact with all programmes and subprogrammes in UNIDO, in particular those in major programme 800, Administration, as well as other organizations in the United Nations system, representatives of Permanent Missions to UNIDO and senior bank executives with whom the Organization transacts business.

Resource requirements

8.113. The outputs and activities will be undertaken by staff attached to the subprogramme. Resources for general temporary assistance, overtime and travel may be utilized as necessary by drawing upon resources centrally located in subprogramme 835, Office of the Director.

Resource increases/decreases

8.114. The subprogramme maintains the same level of resources as in the previous biennium, except for the loss of income from UNOV resulting from its decision to take responsibility for its financial services including treasury functions.

Major Programme: 800 ADMINISTRATION
Programme: 830 Financial Services
Subprogramme: 835 Office of the Director

1994-1995 resource requirements
(In thousands of dollars, at 1993 rates)

Regular and operational budgets

	Staff Prof. wy/ms	GS/Other wy/ms	Cost	Consult.	Meetings	Travel	Other	Total	Previous biennium 1992-1993
RB	2/0	3/6	405.2	0.0	0.0	25.0	0.0	430.2	345.2
OB	0/0	0/9	30.0	0.0	0.0	0.0	0.0	30.0	103.6
Total	2/0	4/3	435.2	0.0	0.0	25.0	0.0	460.2	448.8

Subprogramme description

Introduction

8.115. This subprogramme provides the leadership, supervision control and coordination of the organizational components of the programme: Budget, Accounts and Payments, Financial Management of Technical Cooperation and Treasury. The subprogramme is the focal point for all financial policy matters related to the work of the Organization.

Problems addressed

8.116. The subprogramme is called upon to address questions of financial policy and to respond to demands for advice on new financial initiatives and on flexible approaches to the management of the financial resources of the Organization. In view of the rapidly changing environment in which UNIDO is operating and the perennial financial problems of the Organization the need to respond promptly to requests and to present carefully considered solutions to problems raised is of the utmost importance.

Objectives

8.117. The primary objective of the subprogramme is to provide direction to the component subprogrammes to ensure that their work programmes contribute most effectively to the management of the financial resources of UNIDO.

Output and activities

8.118. The main activity is the coordination and control of the work of the component subprogrammes. It issues financial instructions and revisions to the finance manual and proposes amendments to the financial regulations and rules. It coordinates the preparation of reports on financial matters to UNIDO's legislative bodies and for dissemination to other agencies within the United Nations system. It represents UNIDO at meetings of such United Nations committees as the Consultative Committee on Administrative Questions (CCAQ) and the Advisory Committee on Administrative and Budgetary Questions (ACABQ). The subprogramme directs the system analysis function within Financial Services to ensure an ongoing process of design, review and enhancement of financial systems. Furthermore, the subprogramme serves as the primary point of contact for the External Auditor and coordination of the preparation of responses to the observations and reports of the External Auditor.

Coordination

8.119. Close contact is maintained with senior management of UNIDO, with managers of programmes and subprogrammes, with representatives of Member States, with counterparts within the United Nations system and with representatives of commercial organizations, banks and non-governmental organizations.

Resource requirements

8.120. In addition to the staff resources needed to carry out the work of the subprogramme provision is made for general temporary assistance ($50,000 under the regular budget and $20,000 under the operational budget), overtime ($10,000 under the regular budget and $10,000 under the operational budget) and travel (amounting to $25,000 from regular budget resources) required by the component subprogrammes. General temporary assistance is required to ensure that there is no interruption in the work of the subprogrammes due to extended periods of sick leave. A financial provision is required for overtime to cover peak workload periods when staff are required to work beyond the normal working hours. Travel resources are required to attend meetings of joint bodies in the United Nations system and to undertake other missions concerned with the work of the programme.

Resource increases/decreases

8.121. The regular budget resources show an increase of $85,000 on account of the redeployment of resources for general temporary assistance ($50,000), overtime ($10,000) and travel ($25,000) which were previously shown in programme 810, Office of the Deputy Director-General. The operational budget resource decrease of $73,600 is the net result of the abolition of a General Service post ($103,600) and reductions in resource requirements for general temporary assistance ($20,000) and overtime ($10,000).

Major Programme: 800 ADMINISTRATION
Programme: 840 General Services

1994-1995 resource requirements
(In thousands of dollars, at 1993 rates)

Regular and operational budgets

	Staff Prof. wy/ms	Staff GS/Other wy/ms	Cost	Consult.	Meetings	Travel	Other	Total	Previous biennium 1992-1993
RB gross	14/0	101/5	6,575.9	0.0	0.0	30.0	8,064.3	14,670.2	15,551.6
RB income			1,230.0	0.0	0.0	0.0	0.0	1,230.0	1,121.4
RB net	14/0	101/5	5,345.9	0.0	0.0	30.0	8,064.3	13,440.2	14,430.2
OB	16/0	32/0	3,241.8	0.0	0.0	0.0	0.0	3,241.8	3,307.8
Total	30/0	133/5	8,587.7	0.0	0.0	30.0	8,064.3	16,682.0	17,738.0

By subprogramme

	Staff Prof. wy/ms	Staff GS/Other wy/ms	Cost	Consult.	Meetings	Travel	Other	Total	Previous biennium 1992-1993
841 Purchase									
Gross	12/0	20/5	2,199.8	0.0	0.0	0.0	0.0	2,199.8	2,521.8
Income			161.5	0.0	0.0	0.0	0.0	161.5	137.6
Net	12/0	20/5	2,038.3	0.0	0.0	0.0	0.0	2,038.3	2,384.2
842 Contracts									
Gross	10/0	10/0	1,482.4	0.0	0.0	0.0	0.0	1,482.4	1,654.6
Income			72.1	0.0	0.0	0.0	0.0	72.1	73.0
Net	10/0	10/0	1,410.3	0.0	0.0	0.0	0.0	1,410.3	1,581.6
843 Other General Services									
Gross	2/0	82/0	4,549.4	0.0	0.0	0.0	0.0	4,549.4	4,484.6
Income			760.5	0.0	0.0	0.0	0.0	760.5	721.2
Net	2/0	82/0	3,788.9	0.0	0.0	0.0	0.0	3,788.9	3,763.4
844 Office of the Director									
Gross	6/0	21/0	1,586.1	0.0	0.0	30.0	8,064.3	9,680.4	10,198.4
Income			235.9	0.0	0.0	0.0	0.0	235.9	189.6
Net	6/0	21/0	1,350.2	0.0	0.0	30.0	8,064.3	9,444.5	10,008.8
Total	30/0	133/5	8,587.7	0.0	0.0	30.0	8,064.3	16,682.0	17,738.0

Programme description

Development objectives

8.122. The main objective of the programme is to provide essential administrative and operational support services to enable the Organization to fulfil its mandate of promoting the industrial development of developing countries. The implementation of the technical and industrial cooperation programmes relies, among others, on the provision of such services as the procurement of equipment and services for field projects and making travel arrangements as well as related shipment and insurance services for both headquarters and field staff. At the same time, the Organization needs to store and manage its records and archives as well as its expendable and non-expendable property. It also provides overall supervision of some of the common services to all Vienna-based organizations such as the maintenance, repair and operation of the Vienna International Centre complex, catering and garage operations. Administrative support services are provided to UNOV for other general services (purchase, contracts, archives and records, inventory control, property management and travel and transportation). All these services enable the Organization to operate smoothly and to carry out its substantive programme of work.

Relationship to medium-term plan priorities

8.123. During the budget plan period, continued efforts will be made to modernize, rationalize and streamline work procedures and routines, improve planning, financial and other control systems and to provide data and statistics needed for prudent management. This will require increased use of computer-aided techniques for management information systems as well as further training of staff. Every effort will be made to minimize the unavoidable cost increases of maintaining and repairing the ageing buildings of the VIC complex by seeking further energy savings and operating economies through the application of modern technologies and streamlined work practices.

New features

8.124. The programmes will give particular emphasis to rationalizing and streamlining work procedures and practices. It foresees further computerization of work routines in the purchasing and contracting processes, travel, insurance and buildings management. The establishment or updating of the computerized rosters of equipment manufacturers and consulting engineers is being actively pursued. The heavy reliance on computerization is warranted by the fact that much of the work in the programme involves large amounts of data and is labour-intensive.

Variation over the previous biennium

8.125. In addition to a shift in emphasis towards rationalization of practices and procedures and increased computerization of operations, adjustments are foreseen in the work of purchase and contracts in line with the changes in the UNDP successor arrangements to agency support cost. Under this regime, it is expected that agencies will provide fewer administrative and operational support services and more technical advisory services to Governments and UNDP. At the same time, requests for administrative and operational services are expected to receive prompt and efficient response.

Major Programme: 800 ADMINISTRATION
Programme: 840 General Services
Subprogramme: 841 Purchase

1994-1995 resource requirements
(In thousands of dollars, at 1993 rates)

Regular and operational budgets

	Staff Prof. wy/ms	GS/Other wy/ms	Cost	Consult.	Meetings	Travel	Other	Total	Previous biennium 1992-1993
RB gross	6/0	4/5	854.4	0.0	0.0	0.0	0.0	854.4	1,045.6
RB income			161.5	0.0	0.0	0.0	0.0	161.5	137.6
RB net	6/0	4/5	692.9	0.0	0.0	0.0	0.0	692.9	908.0
OB	6/0	16/0	1,345.4	0.0	0.0	0.0	0.0	1,345.4	1,476.2
Total	12/0	20/5	2,038.3	0.0	0.0	0.0	0.0	2,038.3	2,384.2

Subprogramme description

Introduction

8.126. The subprogramme is responsible for the procurement of equipment required for the implementation of UNIDO technical cooperation projects world wide, by virtue of which function it also contributes to the implementation of projects related to priorities set in the medium-term plan. It is also responsible for procurement of equipment components for projects of various United Nations organizations in Vienna, for the operation, maintenance and repair of the buildings and grounds of the VIC complex as well as for the functioning of UNIDO Headquarters and the UNIDO Country Director and Investment Promotion Service offices.

Problems addressed

8.127. A major problem confronting the subprogramme is to ensure that it keeps abreast of the variety and diversity of demand for equipment and the fast-changing technologies essential to the implementation of technical cooperation and industrial promotion projects. At the same time, the subprogramme has to ensure the identification of sources for the provision of goods at competitive prices and to secure timely delivery thereof, as well as increase the procurement of equipment and supplies from developing countries and underutilized major donor countries.

Objectives

8.128. The basic objective of the subprogramme is to ensure the timely procurement of equipment and supplies needed in the field and in Headquarters which meet the highest standards, while identifying new sources of supply in particular in the developing countries and underutilized major donor countries.

Output and activities

8.129. The subprogramme aims to maintain the required level of technical cooperation equipment procurement in accordance with the delivery forecast for the biennium. It is expected to increase the share of developing countries and underutilized major donors in the overall procurement of the Organization in line with the targets set in relevant General Assembly resolutions. Furthermore, the subprogramme aims to increase the level of equipment and services procurement on behalf of the World Bank and other funding agencies.

8.130. In order to achieve this enhanced scale of procurement and provide projects with the high-technology equipment they require, the subprogramme will further expand its computer-aided systems for cataloguing and storing sources of supply as well as equipment specifications, thus extending the range of equipment and sources identified and reducing delivery times.

8.131. Within the context of the continuous process of improvement and change, work procedures will be reviewed and, where appropriate, modified to ensure that the subprogramme will be equipped to meet the changing needs of the Organization's procurement activities in the light of United Nations Development Programme Governing Council decision 90/26.

8.132. To deal with some of the problems expected to arise from the new UNDP successor arrangements, greater attention is being given to trust fund projects at the earliest stage and to projects of the World Bank and other funding agencies.

Coordination

8.133. As a service unit, the subprogramme cooperates closely with the programmes responsible for the delivery of technical cooperation with emphasis on industrial operations technology (520) and industrial services and institutions (530). There is also close cooperation within the major programme, Administration, on the purchase of goods for Headquarters and on financial matters. Close cooperation is maintained with UNDP/IAPSO and United Nations organizations in Vienna to whom procurement assistance is provided. Further development of contacts with national trade bodies and enterprises is anticipated.

Resource requirements

8.134. The work of the subprogramme is carried out by the staff attached to it. A P-4 (OB) post has been redeployed to subprogramme 822, Staff Development and Training, in exchange for a P-3 (OB) post, to facilitate the promotion of a staff member whose job description has been classified at that level. Two General Service (RB) posts are redeployed to subprogramme 831, Budget, and subprogramme 424, Office of the Director, Industrial Investment Division. One General Service post (OB) has been abolished. The reduction in staff resources reflects the expected impact of the new UNDP successor arrangements on the technical cooperation programme of UNIDO. Provision for general temporary assistance ($16,000) is made to cover periods of heavy workload. Travel funds are provided in the Office of the Director (subprogramme 844) and may be utilized as required. Income for the provision of administrative support services to UNOV is estimated at $161,500 for the biennium.

Resource increases/decreases

8.135. The regular budget resources net of income have decreased by $215,100 as a result of the redeployment of two General Service posts to subprogrammes 831, Budget, and 424, Office of the Director, Industrial Investment while making provision for general temporary assistance funds ($16,000). Similarly, operational budget resources have decreased by $130,800. This is the net effect of the redeployment of a P-4 post to subprogramme 822, Staff Development and Training, in exchange for a P-3 post from subprogramme 821, Recruitment. In addition, one General Service post has been abolished.

Major Programme: 800 ADMINISTRATION
Programme: 840 General Services
Subprogramme: 842 Contracts

1994-1995 resource requirements
(In thousands of dollars, at 1993 rates)

Regular and operational budgets

	Staff								
	Prof. wy/ms	GS/Other wy/ms	Cost	Consult.	Meetings	Travel	Other	Total	Previous biennium 1992-1993
RB gross	2/0	2/0	237.4	0.0	0.0	0.0	0.0	237.4	409.6
RB income			72.1	0.0	0.0	0.0	0.0	72.1	73.0
RB net	2/0	2/0	165.3	0.0	0.0	0.0	0.0	165.3	336.6
OB	8/0	8/0	1,245.0	0.0	0.0	0.0	0.0	1,245.0	1,245.0
Total	10/0	10/0	1,410.3	0.0	0.0	0.0	0.0	1,410.3	1,581.6

Subprogramme description

Introduction

8.136. The subprogramme is responsible for the procurement of services required for the implementation of UNIDO technical cooperation projects world wide, by virtue of which function it also contributes to the implementation of projects related to priorities set in the medium-term plan. It is also responsible for concluding contracts related to projects of various United Nations organizations in Vienna, for providing contract assistance in connection with the operation, maintenance and repair of the buildings and grounds of the VIC complex and for the functioning of UNIDO Headquarters and the UNIDO Country Director and Investment Promotion Services offices.

Problems addressed

8.137. A major problem confronting the subprogramme is to ensure that it keeps abreast of the variety and diversity of demand and that contractors have the capacity to deliver state-of-the-art technologies which have become essential to the implementation of technical cooperation projects. At the same time, the subprogramme has to ensure the identification of sources for the provision of services at competitive prices in compliance with project schedules, as well as increase the procurement of services from developing countries and underutilized major donors. Furthermore, the introduction of the UNDP successor arrangements to agency support costs has greatly complicated the forecast of UNIDO project delivery with its attendant uncertainties in the required level of administrative and operational support services, including contracting services. The subprogramme also faces the problem of coping with the increasing number and value of headquarters contracts and the need to ensure effective implementation of these contracts.

Objectives

8.138. The basic objective of the subprogramme is to procure technical cooperation services which meet the highest standards, while identifying new sources of services in particular in the developing countries and underutilized major donor countries.

Output and activities

8.139. The subprogramme provides procurement services in support of technical cooperation programmes in the areas of: general surveys and studies; project identification, preparation, evaluation, design and implementation; manufacturing technologies; management services; establishment of pilot plants and industrial estates; maintenance and repair; and industrial processing plants.

8.140. In addition, the subprogramme is responsible for all contracts related to the operation, maintenance and repair of the VIC complex and the activities of the various United Nations offices and organizations in Vienna. In carrying out these activities the subprogramme will endeavour to increase the share of developing countries and underutilized major donors in the contracts awarded by the Organization in line with the targets set in relevant General Assembly resolutions.

8.141. In order to provide technical cooperation projects with the services they require, the subprogramme will expand the computer-aided system for cataloguing and storing sources of services, thus extending the range of service sources identified and permitting the maintenance of tighter schedules.

8.142. Within the context of the continuous process of improvement and change, work procedures will be reviewed and, where appropriate, modified to ensure that the subprogramme is equipped to meet the changing needs of the Organization's procurement activities in the light of United Nations Development Programme Governing Council decision 90/26.

Coordination

8.143. As a service unit, the subprogramme cooperates closely with the programmes responsible for the delivery of technical cooperation, with emphasis on industrial operations technology and industrial services and institutions. There is also close cooperation within major programme 800, Administration, and major programme 700, VIC-related common services, on the procurement of services for Headquarters and on financial matters. Further development of contacts with national trade bodies and enterprises is anticipated.

Resource requirements

8.144. The work of the subprogramme is carried out by the staff attached to it. One P-3 (RB) post ($172,700) has been redeployed to subprogramme 831, Budget. Provision for general temporary assistance and travel has been made in the Office of the Director (844). Income for the provision of administrative support services to UNOV is estimated at $72,100 for the biennium.

Resource increases/decreases

8.145. Staff resources have been reduced following the transfer of a P-3 post (regular budget) to Budget Section (831). Operational budget resources remained the same as in the last biennium.

Major Programme: 800 ADMINISTRATION
Programme: 840 General Services
Subprogramme: 843 Other General Services

1994-1995 resource requirements
(In thousands of dollars, at 1993 rates)

Regular and operational budgets

	Staff Prof. wy/ms	Staff GS/Other wy/ms	Cost	Consult.	Meetings	Travel	Other	Total	Previous biennium 1992-1993
RB gross	0/0	74/0	3,898.0	0.0	0.0	0.0	0.0	3,898.0	4,001.6
RB income			760.5	0.0	0.0	0.0	0.0	760.5	721.2
RB net	0/0	74/0	3,137.5	0.0	0.0	0.0	0.0	3,137.5	3,280.4
OB	2/0	8/0	651.4	0.0	0.0	0.0	0.0	651.4	483.0
Total	2/0	82/0	3,788.9	0.0	0.0	0.0	0.0	3,788.9	3,763.4

Subprogramme description

Introduction

8.146. The subprogramme comprises inventory control and property management; travel, transportation, shipment and insurance, and archives and records management. The subprogramme is responsible for inventory records of equipment and furniture as well as the stationery and spare parts storage areas, travel-related services as well as insurance of project equipment. These tasks are performed for UNIDO and the United Nations offices at Vienna. The subprogramme also maintains the official records and manages the archives of UNIDO and of the UNCSDHA.

Problems addressed

8.147. The subprogramme is expected to ensure the continuing provision of essential services in a timely and efficient fashion within the context of changing requirements of programme delivery and severe resource constraints.

Objectives

8.148. The objective of the subprogramme is to provide and maintain the quality and timeliness of a wide range of administrative services listed under outputs and activities. These services are rendered to UNIDO Headquarters, UNIDO technical and industrial cooperation activities and the United Nations offices at Vienna.

Output and activities

8.149. The subprogramme uses to its full capacity the computerized systems already in place to control office supplies, spare parts and non-expendable equipment in order to cope with increased workload and decreased resources. Likewise, it assesses the most cost-effective ways of managing travel, transportation, shipments and insurance whilst maintaining maximum efficiency and meeting fixed deadlines. It copes with the large volume of work in the field of registry and archives by making use of the electronic processing of data.

Coordination

8.150. The subprogramme provides programme-related services to, and cooperates closely with, all programmes in UNIDO and UNOV. In particular, the subprogramme works closely with the major programmes implementing technical and industrial cooperation so as to ensure that fast and reliable support services are provided. There is close coordination with the United Nations offices at Vienna, to which services are rendered.

Resource requirements

8.151. The work of the subprogramme is carried out by the staff attached to it. One General Service post ($103,600) has been redeployed to subprogramme 822, Personnel Administration and Social Security, in exchange for one General Service principal level post ($168,400). Provision for general temporary assistance and travel has been made in the Office of the Director (subprogramme 844). Income for the provision of administrative support services to UNOV is estimated at $760,500 for the biennium.

Resource increases/decreases

8.152. The regular budget resources net of income have decreased by $142,900 on account of the redeployment of one General Service level post to subprogramme 822, Personnel Administration and Social Security. Conversely, the operational budget has increased by $168,400 as a result of the transfer of one General Service principal level post from subprogramme 822. The exchange of posts is aimed at providing career development opportunities in the subprogramme.

Major Programme: 800 ADMINISTRATION
Programme: 840 General Services
Subprogramme: 844 Office of the Director

1994-1995 resource requirements
(In thousands of dollars, at 1993 rates)

Regular and operational budgets

	Staff								
	Prof. wy/ms	GS/Other wy/ms	Cost	Consult.	Meetings	Travel	Other	Total	Previous biennium 1992-1993
RB gross	6/0	21/0	1,586.1	0.0	0.0	30.0	8,064.3	9,680.4	10,094.8
RB income			235.9	0.0	0.0	0.0	0.0	235.9	189.6
RB net	6/0	21/0	1,350.2	0.0	0.0	30.0	8,064.3	9,444.5	9,905.2
OB	0/0	0/0	0.0	0.0	0.0	0.0	0.0	0.0	103.6
Total	6/0	21/0	1,350.2	0.0	0.0	30.0	8,064.3	9,444.5	10,008.8

Subprogramme description

Introduction

8.153. The subprogramme provides overall supervision, administration and financial control of all sections/units of the General Services programme. It also has specific responsibility towards the management of programme 710, Buildings Management Services, under major programme 700, VIC-related services. It administers the Common Fund for Major Repairs and Replacements at the VIC. The subprogramme is also responsible for catering services and garage operation. It acts as the focal point for the joint services established between UNIDO and the United Nations organizations in Vienna.

Problems addressed

8.154. The major problem confronting the subprogramme is to ensure efficient and effective operation of the programme as a whole in an environment characterized by increasing demand for its services without a corresponding increase in staff and other resources. The Office of the Director also ensures optimal and cost-effective maintenance and operation of the buildings comprising the VIC complex.

Objectives

8.155. The basic objective of the subprogramme is to ensure that essential administrative support and financial control provided by all component subprogrammes of the Division to UNIDO and the United Nations offices at Vienna remain at the highest level and are cost-effective.

Output and activities

8.156. In supervising and controlling the work of the component subprogrammes, the subprogramme provides direct administrative and operational support. It formulates and coordinates the preparation of reports on matters pertaining to the work of the programme for the legislative bodies of UNIDO and for distribution within the United Nations system. It also formulates and coordinates the position of UNIDO in relation to the Inter-Agency Procurement Services Office (IAPSO) and other such bodies. The subprogramme directly supervises the operation of two self-financing common services: catering and the garage. For the biennium it will also administer, in cooperation with programme 710, Buildings Management Services, the Common Fund for Major Repairs and Replacements at the VIC as well as UNIDO resources relating to the operation, repair and maintenance of the Organization's office premises, furniture and equipment, communications, utilities, supplies and materials and a host of miscellaneous services. In carrying out its work, the subprogramme will rely on the increased computerization of its activities to further enhance its cost-effectiveness.

Coordination

8.157. The subprogramme coordinates closely with the programmes responsible for the delivery of technical and industrial cooperation and all major programmes in relation to the operation and management of the buildings. There is also close cooperation within the major programme 800, Administration, on financial and management matters. Coordination is carried out with the other organizations in the VIC and the IAKW (Internationales Amtssitz- und Konferezzentrum Wien AG) related to the repair and maintenance of the buildings.

Resource requirements

8.158. The work of the subprogramme is undertaken by the staff attached to it. As explained above, the subprogramme administers those resources relating only to the operation and management of UNIDO premises and the provision of general administrative support to the Organization. Therefore they do not include those cost-shared resources contributed by all Vienna-based organizations for the VIC complex as a whole which are shown under programme 710, Buildings Management Services.

8.159. The subprogramme requires resources for the operation, repair and upkeep of the parts of the building complex which are areas attributable to UNIDO only. In addition, it also provides services to UNIDO/UNOV cost-shared areas. The following resources are necessary for the subprogramme to provide the above-mentioned services:

Subprogramme 844: Regular budget resource breakdown
(In thousands of dollars at 1993 rates)

	1992-1993	1994-1995	Increase/(decrease)
Rental and maintenance of premises	800.5	800.5	-
Rental and maintenance of furniture and equipment	594.2	210.1	(384.1)
Communications	4,242.3	3,500.0	(742.3)
Maintenance of furniture, transportation and other equipment	55.8	55.8	-
Miscellaneous services	228.1	269.7	41.6
Supplies and materials	646.1	646.1	-
Acquisition of furniture and equipment	390.8	500.0	109.2
Common Fund Financing Major Repairs and Replacements	300.0	300.0	-
Joint communications services	1,782.1	1,782.1	-
Total	9,039.9	8,064.3	(975.6)

The subprogramme receives income for the provision of administrative support services to UNOV estimated at $235,900 for the biennium.

Resource increases/decreases

8.160. The regular budget resources net of income have decreased by $460,700. While three General Service posts for conference technicians were transferred to the subprogramme from programme 710, Buildings Management Services, resource reductions were made in other objects of expenditure. These include a decrease of $742,300 in communications covering the cost of services for telexes, faxes, telephone communications and postage, pouches and special courier provided by the subprogramme to the rest of UNIDO. This item of expenditure is distinct from joint communications services which comprise UNIDO's share of the staff costs of the Joint Communications Service under UNOV. Resource decreases were also made in rental and maintenance of furniture and equipment amounting to $384,100. Joint printing amounting to $121,600 is now shown in programme 810, Office of the Deputy Director-General, Administration. On the other hand, the subprogramme showed increases in general temporary assistance ($256,100), overtime ($30,000) and travel ($30,000) as a result of these costs being shown in the resource requirements of the subprogramme instead of in programme 810, Office of the Deputy Director-General, Administration, as was done in the previous biennium.

8.161. In the operational budget, the redeployment of one General Service post to subprogramme 424, Office of the Director, Industrial Investment, reduced the OB resources of the subprogramme by $103,600.

Major Programme: 800 ADMINISTRATION
Programme: 850 Management Information Services

1994-1995 resource requirements
(In thousands of dollars, at 1993 rates)

Regular and operational budgets

	Staff								
	Prof. wy/ms	GS/Other wy/ms	Cost	Consult.	Meetings	Travel	Other	Total	Previous biennium 1992-1993
RB gross	14/0	26/8	2,822.6	0.0	0.0	69.0	3,129.9	6,021.5	5,731.7
RB income			275.8	0.0	0.0	0.0	385.6	661.4	678.0
RB net	14/0	26/8	2,546.8	0.0	0.0	69.0	2,744.3	5,360.1	5,053.7
OB	14/0	16/0	2,061.4	0.0	0.0	0.0	1,232.7	3,294.1	3,433.8
Total	28/0	42/8	4,608.2	0.0	0.0	69.0	3,977.0	8,654.2	8,487.5

By subprogramme

	Staff								
	Prof. wy/ms	GS/Other wy/ms	Cost	Consult.	Meetings	Travel	Other	Total	Previous biennium 1992-1993
851 Computer Operations	6/0	12/0	1,230.2	0.0	0.0	0.0	0.0	1,230.2	1,364.0
852 Computing Information Centre	10/0	10/0	1,362.4	0.0	0.0	0.0	0.0	1,362.4	1,392.6
853 Application Services	10/0	16/0	1,836.2	0.0	0.0	0.0	0.0	1,836.2	1,836.2
854 Office of the Director									
Gross	2/0	4/8	455.2	0.0	0.0	69.0	4,362.6	4,886.8	4,572.7
Income			275.8	0.0	0.0	0.0	385.6	661.4	678.0
Net	2/0	4/8	179.4	0.0	0.0	69.0	3,977.0	4,225.4	3,894.7
Total	28/0	42/8	4,608.2	0.0	0.0	69.0	3,977.0	8,654.2	8,487.5

Programme description

Development objectives

8.162. As a central reference point in the Secretariat for applying and supporting the use of computers and information technology, the programme's basic objectives are the effective management of computer-based information as a corporate resource, as an instrument to enhance staff productivity, quality of work, organizational efficiency and improved institutional effectiveness. The programme undertakes the planning, implementation, and operation of UNIDO's computing systems in the framework of established programmes.

Relationship to medium-term plan priorities

8.163. The programme provides services ranging from payroll and finance to central project management support, including project assessment, documentation, and accounting as well as project modelling, planning, and cost estimation. Its services have expanded to include the application of new information technologies, including desktop publishing, spreadsheet-based data analysis and modelling and information presentation in graphical form for business and technical purposes. These tools provide the basis for supporting technical and industrial cooperation programmes.

8.164. As defined in the medium-term plan, the following have been identified as priority projects under the strategic automation plan for application: technical cooperation programming and project cycle, and corresponding administrative support functions; investment promotion and funds mobilization; information databases, including country, industrial subsector and donor databases.

New features

8.165. As stated in the medium-term plan, the programme will place particular emphasis on the priority areas identified in the strategic information plan described above. The implementation of the strategic information plan will cover the biennium 1994-1995 and beyond.

8.166. Although most of the programme activities are of an ongoing nature, changes in computing technology will have to be integrated as they indicate higher cost effectiveness. As a separate activity the text processing and publishing equipment in use by conference services will be replaced by prior arrangement with the United Nations and as recommended by both Touche Ross and Andersen consultants. The current equipment is outdated, technically obsolete, and difficult and expensive to maintain.

Variation over the previous biennium

8.167. The programme will continue to implement the priority projects listed in the strategic information plan in keeping with the overall efforts to improve the quality and timeliness of the services provided by the Organization to Member States. It will place increased emphasis on the optimal use of EDP resources by the end-users in support of programme delivery.

Major Programme: 800 ADMINISTRATION
Programme: 850 Management Information Services
Subprogramme: 851 Computer Operations

1994-1995 resource requirements
(In thousands of dollars, at 1993 rates)

Regular and operational budgets

	Staff								
	Prof. wy/ms	GS/Other wy/ms	Cost	Consult.	Meetings	Travel	Other	Total	Previous biennium 1992-1993
RB	2/0	4/0	471.4	0.0	0.0	0.0	0.0	471.4	471.4
OB	4/0	8/0	758.8	0.0	0.0	0.0	0.0	758.8	892.6
Total	6/0	12/0	1,230.2	0.0	0.0	0.0	0.0	1,230.2	1,364.0

Subprogramme description

Introduction

8.168. The subprogramme operates the facility management for UNIDO's mainframe computer and the Organization's complex of electronic networks. This includes management of hardware, operating system software, database management systems and utility software.

Problems addressed

8.169. The subprogramme addresses the problem of ensuring the availability and reliable operation of UNIDO's computing system as an indispensable resource supporting technical and industrial cooperation programmes and related administrative support. As such it provides for authorized access, for computing resource integrity and database security. It also monitors and reports on system performance and service levels.

Objectives

8.170. The basic objective of the subprogramme is the provision of computing resources and their easy access by users. It provides for system administration services, effective management of UNIDO's computer storage capacity, access and use of resources. It also establishes and maintains methods and procedures for timely recovery of the computing system from unforeseen situations.

Output and activities

8.171. The subprogramme monitors mainframe capacity and utilization data and provides access to UNIDO's network of workstations and small computers. It will expand this internal network as required and feasible. In addition, gateways to international networks (in particular the United Nations ICC network with connectivity to the United Nations New York computing centre, and the European Academic Research Network) will be made available through desktop workstations, such that those networks' utilization may be increased for communications purposes and for access of existing databases elsewhere.

8.172. By prior arrangement with the United Nations, the subprogramme will, jointly with subprogramme 852, replace the Wang-based word processing capabilities of the Languages and Documentation Division with personal computer workstations interconnected by local area networks, and replace Wang word processing with WordPerfect. It will also deliver ongoing services with respect to system and database administration and ensure vendor compliance with the facility management contracts.

Coordination

8.173. The subprogramme coordinates with all major programmes, programmes and subprogrammes that use UNIDO's mainframe computer and with the interdepartmental Information Technology Steering Committee on EDP policy-related matters. It also coordinates with other organizations at the VIC with regard to computing services rendered or obtained by UNIDO.

Resource requirements

8.174. The outputs and activities will be undertaken by staff attached to the subprogramme. In line with the continuing efforts to streamline the activities of the programme, one P-2/1 (OB) post has been abolished. All non-staff costs of the subprogramme including resources for temporary assistance and travel are shown in the Office of the Director (subprogramme 854) for ease of reference.

Resource increases/decreases

8.175. Resource requirements under the regular budget remain the same as for the 1992-1993 biennium. The operational budget resources have decreased by $133,800 as a result of the abolition of one P-2/1 post.

Major Programme: 800 ADMINISTRATION
Programme: 850 Management Information Services
Subprogramme: 852 Computing Information Centre

1994-1995 resource requirements
(In thousands of dollars, at 1993 rates)

Regular and operational budgets

	Staff Prof. wy/ms	Staff GS/Other wy/ms	Cost	Consult.	Meetings	Travel	Other	Total	Previous biennium 1992-1993
RB	6/0	6/0	810.8	0.0	0.0	0.0	0.0	810.8	841.0
OB	4/0	4/0	551.6	0.0	0.0	0.0	0.0	551.6	551.6
Total	10/0	10/0	1,362.4	0.0	0.0	0.0	0.0	1,362.4	1,392.6

Subprogramme description

Introduction

8.176. The subprogramme supports the cost-effective and efficient application of information technology throughout the Organization. It does so by documenting and communicating ways to use computer equipment, applications, commercial software, and telecommunication facilities. It provides help and assistance to all parts of the Organization with regard to planning of information resources and services. The subprogramme establishes and maintains standards and guidelines targeted to optimize system integration and the use of resources.

Problems addressed

8.177. The constraints of zero-growth budget within the Organization generate an increasing demand for improved efficiency and expanded use of information technology tools and techniques. The major problem faced by the subprogramme is to maximize the utilization of available human and financial resources to meet such increase in demand for information technology support effectively. A related problem is the need to keep pace with the rapid changes in technology by upgrading staff skills, improving the knowledge of users and replacing ageing desktop equipment within the context of limited resources.

Objectives

8.178. The basic objective of the subprogramme is to support the Organization's computer-based information management as a valuable institutional resource; it also aims to provide the means to increase staff productivity and quality of output by supporting end-user computing and providing planning, standardization, documentation, data administration, training and other coordination services.

Output and activities

8.179. The subprogramme updates the strategic information system plan and prepares work plans and reports for the interdepartmental Information Technology Steering Committee and management; compiles and maintains end-user documentation; issues technical newsletters, prepares and maintains project schedules and work plans; proposes and drafts policies, standards, procedures and guidelines, and maintains documents thereof; and provides assistance to end-users. The subprogramme also provides assistance for the installation of personal computer equipment and related software and supports the use of communications networks.

8.180. The subprogramme will establish and test communications protocols with selected field offices via existing networks and prepare a field communications self-training manual, and a user directory to improve UNIDO's responsiveness in assessing technical cooperation projects, and its competitiveness in implementation of such projects. The subprogramme will integrate and expand existing information from the technical cooperation project cycle into a common database with direct query and reporting capabilities.

8.181. Jointly with subprogramme 851 and by prior arrangement with the United Nations on equipment requisition, the subprogramme will replace the Wang-based word-processing capabilities of the Languages and Documentation Division with personal computer workstations interconnected by local area networks, and replace Wang word processing with WordPerfect. For technical cooperation project management the implementation of a first client-server architecture is planned.

8.182. The expansion of distributed computing by supporting and advising users on the administration of local area networks will be accomplished during this biennium. For this purpose, administrative procedures for increased decentralized computing will be developed.

Coordination

8.183. Service is provided to users in all areas of the Organization, thus requiring coordination with all organizational units. This subprogramme holds the main responsibility for information technology innovation and forward planning within the programme, requiring close cooperation with members of the interdepartmental Information Technology Steering Committee.

8.184. The subprogramme also cooperates with other organizations of the United Nations system, particularly ICC in Geneva, the United Nations computing centre in New York, and VIC-based and other organizations on technical issues of information technology and communications.

Resource requirements

8.185. The staff resources attached to the subprogramme will produce the outputs and undertake the activities of the subprogramme. One P-2/1 (RB) post has been redeployed to subprogramme 211, Office of the Director-General, in exchange for a General Service post. All non-staff costs including resources for temporary assistance and travel are centrally located and administered in the Office of the Director (subprogramme 854) for ease of reference.

Resource increases/decreases

8.186. Regular budget resources have decreased by $30,200. This is the net result of the redeployment of one P-2/1 post to subprogramme 211, Office of the Director-General, in exchange for a General Service post. Operational budget resources remain the same as in the previous biennium.

Major Programme: 800 ADMINISTRATION
Programme: 850 Management Information Services
Subprogramme: 853 Application Services

1994-1995 resource requirements

(In thousands of dollars, at 1993 rates)

Regular and operational budgets

	Staff Prof. wy/ms	Staff GS/Other wy/ms	Cost	Consult.	Meetings	Travel	Other	Total	Previous biennium 1992-1993
RB	4/0	12/0	1,085.2	0.0	0.0	0.0	0.0	1,085.2	1,085.2
OB	6/0	4/0	751.0	0.0	0.0	0.0	0.0	751.0	751.0
Total	10/0	16/0	1,836.2	0.0	0.0	0.0	0.0	1,836.2	1,836.2

Subprogramme description

Introduction

8.187. The subprogramme provides services to analyse, design, programme and test for a growing number of complex computer application systems required by the Organization. It emphasizes the implementation and maintenance of an adequate application architecture that permits the timely development, enhancement, maintenance, and replacement of applications based on the Organization's strategic information requirements. This provides UNIDO with a valuable tool to plan and implement technical and industrial cooperation projects in an efficient and timely manner.

Problems addressed

8.188. The increasingly competitive operating environment of the Organization, characterized by zero-growth budget and frequently inadequate resource levels for programme development and project implementation, requires improved support through new or enhanced application systems.

8.189. While the subprogramme must ensure availability and reliable access to existing application systems and databases, it faces the challenge of carrying out the additional development work required for the implementation of the Organization's strategic information needs. Staffing constraints only permit the implementation of part of the applications development work required.

Objectives

8.190. The basic objectives of this subprogramme are: (a) to analyse, design, implement, and maintain computer-based application systems according to the needs and priorities of UNIDO; (b) to implement interfaces and modifications (i.e. customization) of application systems, either acquired commercially or obtained from other United Nations organizations; and (c) to establish, implement, and maintain methods and procedures for systems development and change management in accordance with the Organization's policies and standards.

Output and activities

8.191. The subprogramme supports technical and industrial cooperation programmes and related support activities by maintaining computer applications to provide management information to policy-making organs and management, and to assist information base access for professional and clerical staff in an efficient manner. It maintains about 75 computer applications in the following areas: (a) financial management of technical cooperation (project allotment document system, expert staffing, certification control); (b) project management, appraisal monitoring and reporting; (c) funds administration; (d) experts recruitment, candidates' roster, fellowships information; (e) financial services (payroll, accounting, travel, monitoring of project allotment documents for UNIDO's regular budget, certifications etc.); (f) personnel (candidates roster, staffing, personnel fact sheets, pension fund, etc.); (g) general administrative (inventories, supplies inventories, expenditure control, vendors and subcontractor rosters etc.); and (h) documents control and reference and terminology support.

8.192. Additional systems for (a) technical cooperation programming and the project cycle; (b) technical cooperation administrative support; (c) investment promotion; (d) funds mobilization; (e) country, subsector, and donor information retrieval; and (f) the financial management required to satisfy identified strategic needs. This will require 600 work-months to be distributed over a number of (calendar) years.

Coordination

8.193. The subprogramme provides services to, and cooperates closely with all major programmes and programmes. Cooperation is generally based on an annual workplan, which is part of the strategic automation plan. Workplan priorities will be defined together with the Information Technology Steering Committee. Further coordination is achieved through project boards and various counterparts in the departments.

Resource requirements

8.194. The outputs and activities will be undertaken by staff attached to the subprogramme. All non-staff costs including resources for temporary assistance and travel are shown centrally in the Office of the Director (subprogramme 854).

Resource increases/decreases

8.195. The subprogramme maintains the same level of resources as in the previous biennium.

MAJOR PROGRAMME: 800 ADMINISTRATION
Programme: 850 Management Information Services
Subprogramme: 854 Office of the Director

1994-1995 resource requirements
(In thousands of dollars, at 1993 rates)

Regular and operational budgets

	Staff Prof. wy/ms	Staff GS/Other wy/ms	Cost	Consult.	Meetings	Travel	Other	Total	Previous biennium 1992-1993
RB gross	2/0	4/8	455.2	0.0	0.0	69.0	3,129.9	3,654.1	3,334.1
RB income			275.8	0.0	0.0	0.0	385.6	661.4	678.0
RB net	2/0	4/8	179.4	0.0	0.0	69.0	2,744.3	2,992.7	2,656.1
OB	0/0	0/0	0.0	0.0	0.0	0.0	1,232.7	1,232.7	1,238.6
Total	2/0	4/8	179.4	0.0	0.0	69.0	3,977.0	4,225.4	3,894.7

Subprogramme description

Introduction

8.196. The subprogramme provides overall guidance and supervision of the component units of the Management Information Services programme: Computer Operations, the Computing Information Centre, and Application Services. The Office serves as the central reference point for computer-based information technology and coordinates the development and application of related UNIDO policies.

Problems addressed

8.197. Growing demands for computer support and new application systems to enhance the Organization's ability to continue delivery of technical and industrial cooperation in an increasingly competitive environment are felt throughout the Organization. Easier access to centralized corporate data is being provided together with the capability to increase staff productivity and organizational efficiency, and, ultimately, higher institutional effectiveness. Due to resource constraints, the programme has to maintain an optimal balance among the various components of the programme relating to staff, computer hardware and software and training.

Objectives

8.198. The basic objective of this subprogramme is to provide management and guidance to areas related to computer-based information processing, databases, technology, and support. It represents UNIDO's EDP programme in organizations within the United Nations system and outside.

Output and activities

8.199. In guiding and supervising the work of the component subprogrammes the Office provides direct administrative and technical support to the implementation of the Organization's administrative and technical cooperation activities. It formulates and coordinates the preparation of reports on the EDP programme for the policy-making organs of UNIDO and their distribution and communication within the United Nations system. It also formulates and coordinates the position of UNIDO within the Advisory Committee for the Coordination of Information Systems (ACCIS) and represents UNIDO in various other bodies such as SHARE Inc. (an independent non-profit association representing over 3,000 large users of IBM systems) and ICC.

Coordination

8.200. The subprogramme coordinates with senior management, with the Information Technology Steering Committee and all programmes within UNIDO in relation to the provision of management information services, in particular in areas of cost-saving approaches and decision support systems. It also coordinates all activities with regard to policies and services rendered to other organizations within the United Nations, Member States, as well as communicates with other organizations on EDP matters.

Resource requirements

8.201. The output and activities are produced or undertaken by staff assigned to the subprogramme. In addition, designated staff in some of the major programmes act as counterparts and carry out EDP-related work for these major programmes. Resources for the whole programme under general temporary assistance ($110,000) are required for periods of peak workload and travel funds ($69,000) for missions to meetings of United Nations bodies and other organizations. All EDP-related staff costs are shown under the resource requirements of the component subprogrammes until a system of charging end-users for EDP staff time is adopted and implemented. Income for the provision of EDP-related services to UNOV is estimated at $661,400 for the biennium.

Resource increases/decreases

8.202. Regular budget resources net of income show an increase of $336,600 as a result of the presentation of resources for general temporary assistance ($110,000) and travel ($69,000) in the subprogramme instead of in the Office of the Deputy Director-General (programme 810) as was done previously. EDP-related training resources have also decreased by $22,700. Other variations in non-staff costs are shown in the table below as are operational budget resources which show a decrease of $5,700:

Subprogramme 850: Other variations in non-staff costs
(In thousands of US dollars at 1993 rates)

	1992-1993		1994-1995		Increase/(decrease)	
	RB	OB	RB	OB		
EDP-related consultants	256.9	128.0	50.0	41.3	(206.9)	(86.7)
Maintenance of EDP hardware	365.1	182.2	112.4	70.9	(252.7)	(111.3)
Rental/lease of EDP hardware/software	665.5	548.7	1,046.2	741.8	380.7	193.1
EDP facilities management	756.9	379.7	926.3	287.5	169.4	(92.2)
External computer cost	33.4	-	30.4	-	(3.0)	-
Miscellaneous EDP supplies	222.8	-	204.4	-	(18.4)	-
Miscellaneous contracts/ maintenance	-	-	94.4	91.4	94.4	91.4
Total	2,300.6	1,238.6	2,464.1	1,232.9	163.5	(5.7)

Major Programme: 900 MISCELLANEOUS INCOME

9.1. The estimated miscellaneous income for 1994-1995 amounts to $1,587,000. This represents an increase over the 1992-1993 estimates of $20,100. Details of the miscellaneous income estimates are shown in the following paragraphs.

A. Income on deposits ($1,450,000)

9.2. The estimates for income on deposits is based on the anticipated interest earnings on cash balances in the General Fund and Working Capital Fund of the Organization. Based on the income under this heading in 1992 and anticipated for 1993, an estimate of $1,450,000 for 1994-1995 is considered reasonable.

B. Sale of publications ($137,000)

9.3. Through its sales publications, UNIDO seeks to promote its image world wide as the focal point of the United Nations in all matters concerning industrial development. A sales publication usually originates when a substantive unit considers it has produced a study with sufficiently wide appeal as to be saleable. If the study is the result of an expensive input of staff and consultant time, selling it is a means not only of disseminating the data or information gathered, but also of recouping at least part of tne outlay on its gathering.

9.4. Within the UNIDO Secretariat the Publications Board has overall responsibility for the establishment and execution of the publications programme, including planning production, costing, distribution and sale of published materials. The Board reviews the sale of publications and, from time to time, issues administrative instructions to guide and govern the UNIDO publications programme. The Board, after taking account of the programme and budget for the biennium, and following consultations with departmental representatives, establishes an indicative publications programme. This programme, which is kept under continuous review, provides a basis upon which staff members can plan, from the beginning, studies or reports that might eventually emerge as sales publications.

9.5. UNIDO does not have special staff for marketing its sales publications. Before its conversion into a specialized agency, the United Nations Publication Section handled all UNIDO sales publications. Since becoming a specialized agency, UNIDO concludes an annual agreement with the United Nations Sales Section to distribute UNIDO publications in return for reimbursement of the printing costs of the number of copies sent to them plus a royalty of 10 per cent. For publications with good market potential, a system of charging 35 per cent on a consignment basis has also been adopted. Some "General Studies" series with very light editing are sold direct by UNIDO with the possibility of additional sales through the United Nations. Over the past four years, several publications of UNIDO have been brought out through commercial publishers in return for a royalty. UNIDO's costs of producing sales publications (writing, editing and printing) are mainly absorbed by regular budget sources.

9.6. UNIDO expects to achieve gross sales of $210,100 for publications in 1994-1995. The net income after the deduction of certain expenditures directly related to the sale of publications is expected to be $137,000. The anticipated expenditures against revenue are shown in the following table.

Estimates of gross and net revenue
(In thousands of US dollars)

	1992-1993 approved estimates		1994-1995 estimates	
Gross sales		190.0		210.1
Less expenses against revenue				
Travel	5.8		5.8	
Advertising and promotion	25.3		25.3	
Printing	41.5		41.5	
Miscellaneous services	0.5		0.5	
		73.1		73.1
Net revenue		116.9		137.0
		=====		=====

9.7. Expenditures on travel ($5,800) are required for travel to book fairs or for organizing special promotion activities. An amount of $25,300 will be required for journal advertisements and other promotional activities. Reprints of sales publications and planned publications for which provision in the regular budget is insufficient are expected to require $41,500 during the biennium. Miscellaneous expenditures of $500 relate to unreimbursed mailing costs.

C. Other items

9.8. Other items for which miscellaneous income has been received in prior bienniums but for which reliable estimates cannot be made are presented for the information of Member States. Those items include:

(a) Refund of prior year expenditures;
(b) Sale of used equipment;
(c) Net gain on exchange.

Any income received for these or other miscellaneous items during the biennium will be recorded against other income and reported in the financial performance reports.

Annex A

Regular budget: analysis of the revaluation of the 1992-1993 approved budget a/

(In thousands of dollars at an exchange rate of $1 = AS 12.90 and at 1993 rates)

	Inflation for 1992 to 1993 rates		Changes in cost sharing/income at 1993 rates	Revaluation of 1992-1993 budget at 1993 rates	
Major object of expenditure	Expenditures 1	Income 2	Income 3	Expenditures 4 (=1)	Income 5 (=2+3)
100 Staff costs	3,612.0	459.9	(1,477.3)	3,612.0	(1,017.4)
200 Official travel/meetings	81.7	0.3	(0.6)	81.7	(0.3)
300 Contractual services	12.6	0.0	0.0	12.6	0.0
400 General operating expenses	565.6	309.3	0.0	565.6	309.3
500 Supplies and materials	18.5	4.7	0.0	18.5	4.7
600 Acquisition of furniture and equipment	19.4	7.9	0.0	19.4	7.9
700 EDP non-staff costs	112.7	27.2	0.0	112.7	27.2
800 Technical cooperation	353.9	106.2	(106.2)	353.9	0.0
900 Other expenditures	268.2	2.1	(0.8)	268.2	1.3
000 Miscellaneous income	0.0	0.0	(185.7)	0.0	(185.7)
TOTAL	5,044.6	917.6	(1,770.6)	5,044.6	(853.0)

a/ An explanation of changes is included in the section on budgetary parameters in the introduction (paragraphs 34 and 35).

Annex B

Operational budget: analysis of the revaluation of the 1992-1993 approved budget

(In thousands of dollars at 1993 rates)

Major object of expenditure		Inflation for 1992 to 1993 rates (1)
100	Staff costs	2,113.1
200	Official travel/meetings	44.3
300	Contractual services	0.7
400	General operating expenses	10.2
500	Supplies and materials	0.5
600	Acquisition of furniture and equipment	1.5
700	EDP non-staff costs	50.2
900	Other expenditures	1.5
TOTAL		2,222.0

Annex C

Table 1. Regular and operational budget expenditure and income and analysis of increases and decreases by major programme and programme

(In thousands of dollars at an exchange rate of $1 = AS 12.90)

	Programme title	1 1992–1993 approved budget	2 Revaluation of 1992–1993 budget at 1993 rates	3 1994–1995 resource growth at 1993 rates	4 (=1+2+3) 1994–1995 resource requirements at 1993 rates	5 Expected inflation 1994–1995	6 (=4+5) 1994–1995 resource requirements	7 Per cent of total budget 1994–1995	 1992–1993
Expenditures									
100	POLICY-MAKING ORGANS, EXTERNAL RELATIONS, PUBLIC INFORMATION, LANGUAGE AND DOCUMENTATION SERVICES								
110	Policy-making Organs	3,663.1	78.7	(252.3)	3,489.5	349.3	3,838.8	1.3	1.4
120	Office of the Deputy Director-General	1,660.9	36.3	62.0	1,759.2	159.6	1,918.8	0.7	0.6
130	External Relations	3,570.3	83.3	(56.2)	3,597.4	435.9	4,033.3	1.4	1.4
140	Languages and Documentation	19,516.1	484.5	462.4	20,463.0	2,497.5	22,960.5	8.0	7.4
150	Public Relations and Information	1,558.2	37.0	102.7	1,697.9	185.1	1,883.0	0.7	0.6
Subtotal		29,968.6	719.8	318.6	31,007.0	3,627.4	34,634.4	12.1	11.4
200	GENERAL MANAGEMENT								
210	Executive Direction and Management	7,456.2	176.3	(445.7)	7,186.8	913.4	8,100.2	2.8	2.8
Subtotal		7,456.2	176.3	(445.7)	7,186.8	913.4	8,100.2	2.8	2.8
300	PROGRAMME AND PROJECT DEVELOPMENT								
310	Office of the Deputy Director-General	4,619.6	100.0	(83.7)	4,635.9	440.0	5,075.9	1.8	1.8
320	Special Measures and Activities	4,188.3	100.2	(599.2)	3,689.3	473.1	4,162.4	1.5	1.6
330	Area Programmes	20,140.5	860.7	(759.2)	20,242.0	2,463.3	22,705.3	7.9	7.6
340	Industrial Policy and Perspectives	12,837.6	300.5	(3,164.6)	9,973.5	1,241.8	11,215.3	3.9	4.9
350	Industrial Cooperation and Funds Mobilization	5,482.3	276.8	(368.4)	5,390.7	706.1	6,096.8	2.1	2.1
Subtotal		47,268.3	1,638.2	(4,975.1)	43,931.4	5,324.3	49,255.7	17.2	17.9
400	INDUSTRIAL PROMOTION, CONSULTATIONS AND TECHNOLOGY								
410	Office of the Deputy Director-General	1,764.5	37.9	(218.7)	1,583.7	155.9	1,739.6	0.6	0.7
420	Industrial Investment	7,824.0	217.1	(367.0)	7,674.1	983.7	8,657.8	3.0	3.0
430	System of Consultations	5,993.7	172.0	(456.6)	5,709.1	686.8	6,395.9	2.2	2.3
440	Industrial Technology Development and Promotion	9,447.7	219.2	(659.0)	9,007.9	1,075.0	10,082.9	3.5	3.6
Subtotal		25,029.9	646.2	(1,701.3)	23,974.8	2,901.4	26,876.2	9.4	9.5
500	INDUSTRIAL OPERATIONS								
510	Office of the Deputy Director-General	6,691.5	152.7	(575.7)	6,268.5	627.9	6,896.4	2.4	2.5
520	Industrial Operations Technology	17,998.2	697.1	(665.1)	18,030.2	2,338.4	20,368.6	7.1	6.8
530	Industrial Institutions and Services	11,907.7	281.0	(1,440.4)	10,748.3	1,427.4	12,175.7	4.3	4.5
540	Industrial Operations Support	12,368.1	433.4	(854.7)	11,946.8	1,411.5	13,358.3	4.7	4.7
Subtotal		48,965.5	1,564.2	(3,535.9)	46,993.8	5,805.2	52,799.0	18.5	18.6

Annex C (continued)

Table 1 (continued)

Programme title	1 1992-1993 approved budget	2 Revaluation of 1992-1993 budget at 1993 rates	3 1994-1995 resource growth at 1993 rates	4 (=1+2+3) 1994-1995 resource requirements at 1993 rates	5 Expected inflation 1994-1995	6 (=4+5) 1994-1995 resource requirements	7 Per cent of total budget 1994-1995	 1992-1993
600 COMMON PROGRAMMES								
610 Regular Programme of Technical Cooperation	10,755.7	353.9	0.0	11,109.6	1,263.3	12,372.9	4.3	4.1
620 Industrial Development Decade for Africa	5,030.5	93.1	0.0	5,123.6	356.7	5,480.3	1.9	1.9
Subtotal	15,786.2	447.0	0.0	16,233.2	1,620.0	17,853.2	6.2	6.0
700 VIENNA INTERNATIONAL CENTRE (VIC) - RELATED SERVICES								
710 Buildings Management Services a/	37,742.1	871.7	0.0	38,613.8	2,727.3	41,341.1	14.5	14.3
720 Other Services provided to UNIDO	5,133.9	134.2	0.0	5,268.1	427.8	5,695.9	2.0	1.9
Subtotal	42,876.0	1,005.9	0.0	43,881.9	3,155.1	47,037.0	16.4	16.3
800 ADMINISTRATION								
810 Office of the Deputy Director-General	2,261.3	49.2	(271.3)	2,039.2	193.8	2,233.0	0.8	0.9
820 Personnel Services a/	7,441.9	166.3	(256.5)	7,352.0	801.3	8,153.3	2.9	2.8
830 Financial Services a/	9,154.2	250.6	(947.0)	8,457.8	979.0	9,436.8	3.3	3.5
840 General Services a/	18,448.7	410.7	(947.4)	17,912.0	1,611.4	19,523.4	6.8	7.0
850 Management Information Services a/	8,973.6	191.9	150.1	9,315.6	819.2	10,134.8	3.5	3.4
Subtotal	46,279.7	1,069.0	(2,272.1)	45,076.6	4,404.7	49,481.3	17.3	17.6
TOTAL expenditures	263,630.4	7,266.6	(12,611.5)	258,285.5	27,751.5	286,037.0	100.0	100.0
Income								
100 POLICY-MAKING ORGANS, EXTERNAL RELATIONS, PUBLIC INFORMATION, LANGUAGE AND DOCUMENTATION SERVICES								
140 Languages and Documentation a/	3,627.5	(427.1)	(103.7)	3,096.7	379.1	3,475.8	9.7	10.3
Subtotal	3,627.5	(427.1)	(103.7)	3,096.7	379.1	3,475.8	9.7	10.3
700 VIENNA INTERNATIONAL CENTRE (VIC) - RELATED SERVICES								
710 Buildings Management Services a/	25,811.1	596.3	0.0	26,407.4	1,869.9	28,277.3	78.7	73.5
Subtotal	25,811.1	596.3	0.0	26,407.4	1,869.9	28,277.3	78.7	73.5
800 ADMINISTRATION								
820 Personnel Services a/	1,282.4	(345.0)	(308.0)	629.4	47.8	677.2	1.9	3.7
830 Financial Services a/	926.0	(557.8)	(368.2)	0.0	0.0	0.0	0.0	2.6
840 General Services a/	1,090.3	31.1	108.6	1,230.0	(27.4)	1,202.6	3.3	3.1
850 Management Information Services a/	644.8	33.2	(16.6)	661.4	55.1	716.5	2.0	1.8
Subtotal	3,943.5	(838.5)	(584.2)	2,520.8	75.5	2,596.3	7.2	11.2
900 MISCELLANEOUS INCOME								
Subtotal	1,750.6	(183.7)	20.1	1,587.0	8.3	1,595.3	4.4	5.0
TOTAL income	35,132.7	(853.0)	(667.8)	33,611.9	2,332.8	35,944.7	100.0	100.0
GRAND TOTAL	228,497.7	8,119.6	(11,943.7)	224,673.6	25,418.7	250,092.3	0.0	(0.0)

a/ Includes cost-reimbursable expenditures previously netted off against expenditures.

Table 2. Regular budget expenditure and income and analysis of increases and decreases by major programme and programme

(In thousands of dollars at an exchange rate of $1 = AS 12.90)

Programme title	1 1992–1993 approved budget	2 Revaluation of 1992–1993 budget at 1993 rates	3 1994–1995 resource growth at 1993 rates	4 (=1+2+3) 1994–1995 resource requirements at 1993 rates	5 Expected inflation 1994–1995	6 (=4+5) 1994–1995 resource requirements	7 Per cent of total budget 1994–1995	 1992–1993
Expenditures								
100 POLICY-MAKING ORGANS, EXTERNAL RELATIONS, PUBLIC INFORMATION, LANGUAGE AND DOCUMENTATION SERVICES								
110 Policy-making Organs	3,663.1	78.7	(252.3)	3,489.5	349.3	3,838.8	1.6	1.7
120 Office of the Deputy Director-General	1,437.1	32.3	63.2	1,532.6	149.1	1,681.7	0.7	0.7
130 External Relations	3,540.8	82.6	(26.0)	3,597.4	435.9	4,033.3	1.7	1.7
140 Languages and Documentation	19,516.1	484.5	462.4	20,463.0	2,497.5	22,960.5	9.5	9.1
150 Public Relations and Information	1,558.2	37.0	102.7	1,697.9	185.1	1,883.0	0.8	0.7
Subtotal	29,715.3	715.1	350.0	30,780.4	3,616.9	34,397.3	14.2	13.9
200 GENERAL MANAGEMENT								
210 Executive Direction and Management	6,113.3	144.4	(109.5)	6,148.2	778.7	6,926.9	2.9	2.9
Subtotal	6,113.3	144.4	(109.5)	6,148.2	778.7	6,926.9	2.9	2.9
300 PROGRAMME AND PROJECT DEVELOPMENT								
310 Office of the Deputy Director-General	3,648.1	79.4	254.9	3,982.4	403.5	4,385.9	1.8	1.7
320 Special Measures and Activities	2,710.4	64.2	106.5	2,881.1	374.9	3,256.0	1.3	1.3
330 Area Programmes	11,479.4	272.2	2,494.1	14,245.7	1,819.5	16,065.2	6.6	5.4
340 Industrial Policy and Perspectives	12,051.4	284.2	(2,783.7)	9,551.9	1,184.5	10,736.4	4.4	5.6
350 Industrial Cooperation and Funds Mobilization	3,021.8	72.3	(71.8)	3,022.3	387.3	3,409.6	1.4	1.4
Subtotal	32,911.1	772.3	0.0	33,683.4	4,169.7	37,853.1	15.6	15.4
400 INDUSTRIAL PROMOTION, CONSULTATIONS AND TECHNOLOGY								
410 Office of the Deputy Director-General	1,351.6	29.8	23.7	1,405.1	147.5	1,552.6	0.6	0.6
420 Industrial Investment	5,652.4	126.8	401.9	6,181.1	827.7	7,008.8	2.9	2.6
430 System of Consultations	5,450.2	122.6	(342.2)	5,230.6	632.9	5,863.5	2.4	2.5
440 Industrial Technology Development and Promotion	7,336.3	168.7	3.7	7,508.7	924.9	8,433.6	3.5	3.4
Subtotal	19,790.5	447.9	87.1	20,325.5	2,533.0	22,858.5	9.4	9.2
500 INDUSTRIAL OPERATIONS								
510 Office of the Deputy Director-General	5,382.2	122.8	(47.4)	5,457.6	572.6	6,030.2	2.5	2.5
520 Industrial Operations Technology	13,687.8	313.4	728.7	14,729.9	1,956.5	16,686.4	6.9	6.4
530 Industrial Institutions and Services	9,603.0	222.5	(678.4)	9,147.1	1,228.0	10,375.1	4.3	4.5
540 Industrial Operations Support	4,135.2	95.5	115.9	4,346.6	561.4	4,908.0	2.0	1.9
Subtotal	32,808.2	764.2	118.8	33,681.2	4,318.5	37,999.7	15.7	15.3

Annex C (continued)

Table 2 (continued)

Programme title	1 1992–1993 approved budget	2 Revaluation of 1992–1993 budget at 1993 rates	3 1994–1995 resource growth at 1993 rates	4 (=1+2+3) 1994–1995 resource requirements at 1993 rates	5 Expected inflation 1994–1995	6 (=4+5) 1994–1995 resource requirements	7 Per cent of total budget 1994–1995	 1992–1993
600 COMMON PROGRAMMES								
610 Regular Programme of Technical Cooperation	10,755.7	353.9	0.0	11,109.6	1,263.3	12,372.9	5.1	5.0
620 Industrial Development Decade for Africa	5,030.5	93.1	0.0	5,123.6	356.7	5,480.3	2.3	2.3
Subtotal	15,786.2	447.0	0.0	16,233.2	1,620.0	17,853.2	7.4	7.4
700 VIENNA INTERNATIONAL CENTRE (VIC) – RELATED SERVICES								
710 Buildings Management Services a/	37,742.1	871.7	0.0	38,613.8	2,727.3	41,341.1	17.1	17.6
720 Other Services provided to UNIDO	5,133.9	134.2	0.0	5,268.1	427.8	5,695.9	2.4	2.4
Subtotal	42,876.0	1,005.9	0.0	43,881.9	3,155.1	47,037.0	19.4	20.0
800 ADMINISTRATION								
810 Office of the Deputy Director–General	2,148.8	45.9	(259.1)	1,935.6	183.1	2,118.7	0.9	1.0
820 Personnel Services a/	6,003.1	125.2	(11.7)	6,116.6	664.8	6,781.4	2.8	2.8
830 Financial Services a/	5,405.6	140.8	(251.8)	5,294.6	643.6	5,938.2	2.5	2.5
840 General Services a/	15,223.5	328.1	(881.4)	14,670.2	1,209.9	15,880.1	6.6	7.1
850 Management Information Services a/	5,613.9	117.8	289.8	6,021.5	494.8	6,516.3	2.7	2.6
Subtotal	34,394.9	757.8	(1,114.2)	34,038.5	3,196.2	37,234.7	15.4	16.0
TOTAL expenditures	214,395.5	5,044.6	(667.8)	218,772.3	23,388.1	242,160.4	100.0	100.0
Income								
100 POLICY–MAKING ORGANS, EXTERNAL RELATIONS, PUBLIC INFORMATION, LANGUAGE AND DOCUMENTATION SERVICES								
140 Languages and Documentation a/	3,627.5	(427.1)	(103.7)	3,096.7	379.1	3,475.8	9.7	10.3
Subtotal	3,627.5	(427.1)	(103.7)	3,096.7	379.1	3,475.8	9.7	10.3
700 VIENNA INTERNATIONAL CENTRE (VIC) – RELATED SERVICES								
710 Buildings Management Services a/	25,811.1	596.3	0.0	26,407.4	1,869.9	28,277.3	78.7	73.5
Subtotal	25,811.1	596.3	0.0	26,407.4	1,869.9	28,277.3	78.7	73.5
800 ADMINISTRATION								
820 Personnel Services a/	1,282.4	(345.0)	(308.0)	629.4	47.8	677.2	1.9	3.7
830 Financial Services a/	926.0	(557.8)	(368.2)	0.0	0.0	0.0	0.0	2.6
840 General Services a/	1,090.3	31.1	108.6	1,230.0	(27.4)	1,202.6	3.3	3.1
850 Management Information Services a/	644.8	33.2	(16.6)	661.4	55.1	716.5	2.0	1.8
Subtotal	3,943.5	(838.5)	(584.2)	2,520.8	75.5	2,596.3	7.2	11.2
900 MISCELLANEOUS INCOME								
Subtotal	1,750.6	(183.7)	20.1	1,587.0	8.3	1,595.3	4.4	5.0
TOTAL income	35,132.7	(853.0)	(667.8)	33,611.9	2,332.8	35,944.7	100.0	100.0
GRAND TOTAL	179,262.8	5,897.6	0.0	185,160.4	21,055.3	206,215.7	0.0	(0.0)

a/ Includes cost–reimbursable expenditures previously netted off against expenditures.

Annex C (continued)

Table 3. Operational budget expenditure and analysis of increases and decreases by major programme and programme

(In thousands of dollars at an exchange rate of $1 = AS 12.90)

	Programme title	1 1992–1993 approved budget	2 Revaluation of 1992–1993 budget at 1993 rates	3 1994–1995 resource growth at 1993 rates	4 (=1+2+3) 1994–1995 resource requirements at 1993 rates	5 Expected inflation 1994–1995	6 (=4+5) 1994–1995 resource requirements	7 Per cent of total budget 1994–1995	 1992–1993
	Expenditures								
100	POLICY-MAKING ORGANS, EXTERNAL RELATIONS, PUBLIC INFORMATION, LANGUAGE AND DOCUMENTATION SERVICES								
110	Policy-making Organs	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
120	Office of the Deputy Director-General	223.8	4.0	(1.2)	226.6	10.5	237.1	0.5	0.5
130	External Relations	29.5	0.7	(30.2)	0.0	0.0	0.0	0.0	0.1
140	Languages and Documentation	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
150	Public Relations and Information	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Subtotal		253.3	4.7	(31.4)	226.6	10.5	237.1	0.5	0.5
200	GENERAL MANAGEMENT								
210	Executive Direction and Management	1,342.9	31.9	(336.2)	1,038.6	134.7	1,173.3	2.7	2.7
Subtotal		1,342.9	31.9	(336.2)	1,038.6	134.7	1,173.3	2.7	2.7
300	PROGRAMME AND PROJECT DEVELOPMENT								
310	Office of the Deputy Director-General	971.5	20.6	(338.6)	653.5	36.5	690.0	1.6	2.0
320	Special Measures and Activities	1,477.9	36.0	(705.7)	808.2	98.2	906.4	2.1	3.0
330	Area Programmes	8,661.1	588.5	(3,253.3)	5,996.3	643.8	6,640.1	15.1	17.6
340	Industrial Policy and Perspectives	786.2	16.3	(380.9)	421.6	57.3	478.9	1.1	1.6
350	Industrial Cooperation and Funds Mobilization	2,460.5	204.5	(296.6)	2,368.4	318.8	2,687.2	6.1	5.0
Subtotal		14,357.2	865.9	(4,975.1)	10,248.0	1,154.6	11,402.6	26.0	29.2
400	INDUSTRIAL PROMOTION, CONSULTATIONS AND TECHNOLOGY								
410	Office of the Deputy Director-General	412.9	8.1	(242.4)	178.6	8.4	187.0	0.4	0.8
420	Industrial Investment	2,171.6	90.3	(768.9)	1,493.0	156.0	1,649.0	3.8	4.4
430	System of Consultations	543.5	49.4	(114.4)	478.5	53.9	532.4	1.2	1.1
440	Industrial Technology Development and Promotion	2,111.4	50.5	(662.7)	1,499.2	150.1	1,649.3	3.8	4.3
Subtotal		5,239.4	198.3	(1,788.4)	3,649.3	368.4	4,017.7	9.2	10.6
500	INDUSTRIAL OPERATIONS								
510	Office of the Deputy Director-General	1,309.3	29.9	(528.3)	810.9	55.3	866.2	2.0	2.7
520	Industrial Operations Technology	4,310.4	383.7	(1,393.8)	3,300.3	381.9	3,682.2	8.4	8.8
530	Industrial Institutions and Services	2,304.7	58.5	(762.0)	1,601.2	199.4	1,800.6	4.1	4.7
540	Industrial Operations Support	8,232.9	337.9	(970.6)	7,600.2	850.1	8,450.3	19.3	16.7
Subtotal		16,157.3	810.0	(3,654.7)	13,312.6	1,486.7	14,799.3	33.7	32.8

Annex C (continued)

Table 3 (continued)

Programme title	1 1992-1993 approved budget	2 Revaluation of 1992-1993 budget at 1993 rates	3 1994-1995 resource growth at 1993 rates	4 (=1+2+3) 1994-1995 resource requirements at 1993 rates	5 Expected inflation 1994-1995	6 (=4+5) 1994-1995 resource requirements	7 Per cent of total budget 1994-1995	 1992-1993
600 COMMON PROGRAMMES	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
700 VIENNA INTERNATIONAL CENTRE (VIC) - RELATED SERVICES	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
800 ADMINISTRATION								
810 Office of the Deputy Director-General	112.5	3.3	(12.2)	103.6	10.7	114.3	0.3	0.2
820 Personnel Services	1,438.8	41.4	(244.8)	1,235.4	136.5	1,371.9	3.1	2.9
830 Financial Services	3,748.6	109.8	(695.2)	3,163.2	335.4	3,498.6	8.0	7.6
840 General Services	3,225.2	82.6	(66.0)	3,241.8	401.5	3,643.3	8.3	6.6
850 Management Information Services	3,359.7	74.1	(139.7)	3,294.1	324.4	3,618.5	8.2	6.8
Subtotal	11,884.8	311.2	(1,157.9)	11,038.1	1,208.5	12,246.6	27.9	24.1
TOTAL expenditures	49,234.9	2,222.0	(11,943.7)	39,513.2	4,363.4	43,876.6	100.0	100.0

Annex D

Table 1. Regular and operational budget expenditure and income estimates and analysis of increases and decreases by major object of expenditure

(In thousands of dollars at an exchange rate of $1 = AS 12.90)

	1 1992-1993 budget	2 Revaluation of 1992-1993 budget at 1993 rates	3 1994-1995 resource growth at 1993 rates	4 1994-1995 resource requirements at 1993 rates (=1+2+3)	5 Expected inflation 1994-1995	6 1994-1995 resource requirements (=4+5)
Expenditures						
100 Staff costs	193,533.9	5,725.1	(12,428.7)	186,830.3	22,956.3	209,786.6
200 Official travel/ meetings	5,201.9	126.0	(949.9)	4,378.0	290.6	4,668.6
300 Contractual services	748.4	13.3	7.8	769.5	40.6	810.1
400 General operating expenses	30,195.6	575.8	(31.9)	30,739.5	1,618.4	32,357.9
500 Supplies and materials	1,140.8	19.0	91.4	1,251.2	56.9	1,308.1
600 Acquisition of furniture and equipment	1,038.7	20.9	365.1	1,424.7	53.8	1,478.5
700 EDP non-staff costs	9,162.2	162.9	340.5	9,665.6	447.4	10,113.0
800 Technical cooperation	10,755.7	353.9	0.0	11,109.6	1,263.3	12,372.9
900 Other expenditures	11,853.2	269.7	(5.8)	12,117.1	1,024.2	13,141.3
TOTAL expenditures	263,630.4	7,266.6	(12,611.5)	258,285.5	27,751.5	286,037.0
Income						
100 Staff costs	16,614.1	(1,017.4)	(926.9)	14,669.8	1,423.1	16,092.9
200 Official travel/ meetings	12.2	(0.3)	12.8	24.7	1.7	26.4
300 Contractual services	0.0	0.0	0.0	0.0	0.0	0.0
400 General operating expenses	15,717.9	309.3	51.2	16,078.4	845.1	16,923.5
500 Supplies and materials	282.3	4.7	44.6	331.6	15.1	346.7
600 Acquisition of furniture and equipment	393.5	7.9	130.4	531.8	20.0	551.8
700 EDP non-staff costs	358.4	27.2	0.0	385.6	19.2	404.8
800 Technical cooperation	0.0	0.0	0.0	0.0	0.0	0.0
900 Other expenditures	3.7	(0.7)	0.0	3.0	0.3	3.3
000 Miscellaneous income	1,750.6	(183.7)	20.1	1,587.0	8.3	1,595.3
TOTAL income	35,132.7	(853.0)	(667.8)	33,611.9	2,332.8	35,944.7
TOTAL ESTIMATES	228,497.7	8,119.6	(11,943.7)	224,673.6	25,418.7	250,092.3

Annex D (continued)

Table 2. Regular budget expenditure and income estimates and analysis of increases and decreases by major object of expenditure

(In thousands of dollars at an exchange rate of $1 = AS 12.90)

	1 1992-1993 budget	2 Revaluation of 1992-1993 budget at 1993 rates	3 1994-1995 resource growth at 1993 rates	4 1994-1995 resource requirements at 1993 rates (=1+2+3)	5 Expected inflation 1994-1995	6 1994-1995 resource requirements (=4+5)
Expenditures						
100 Staff costs	149,665.6	3,612.0	(1,112.0)	152,165.6	18,845.0	171,010.6
200 Official travel/ meetings	3,403.0	81.7	98.9	3,583.6	238.4	3,822.0
300 Contractual services	712.2	12.6	23.0	747.8	39.5	787.3
400 General operating expenses	29,635.0	565.6	(156.4)	30,044.2	1,581.5	0.0 31,625.7
500 Supplies and materials	1,110.8	18.5	86.9	1,216.2	55.3	1,271.5
600 Acquisition of furniture and equipment	964.4	19.4	340.9	1,324.7	50.1	1,374.8
700 EDP non-staff costs	6,364.8	112.7	354.3	6,831.8	314.3	7,146.1
800 Technical cooperation	10,755.7	353.9	0.0	11,109.6	1,263.3	12,372.9
900 Other expenditures	11,784.0	268.2	(303.4)	11,748.8	1,000.7	12,749.5
TOTAL expenditures	214,395.5	5,044.6	(667.8)	218,772.3	23,388.1	242,160.4
Income						
100 Staff costs	16,614.1	(1,017.4)	(926.9)	14,669.8	1,423.1	16,092.9
200 Official travel/ meetings	12.2	(0.3)	12.8	24.7	1.7	26.4
300 Contractual services	0.0	0.0	0.0	0.0	0.0	0.0
400 General operating expenses	15,717.9	309.3	51.2	16,078.4	845.1	16,923.5
500 Supplies and materials	282.3	4.7	44.6	331.6	15.1	346.7
600 Acquisition of furniture and equipment	393.5	7.9	130.4	531.8	20.0	551.8
700 EDP non-staff costs	358.4	27.2	0.0	385.6	19.2	404.8
800 Technical cooperation	0.0	0.0	0.0	0.0	0.0	0.0
900 Other expenditures	3.7	(0.7)	0.0	3.0	0.3	3.3
000 Miscellaneous income	1,750.6	(183.7)	20.1	1,587.0	8.3	1,595.3
TOTAL income	35,132.7	(853.0)	(667.8)	33,611.9	2,332.8	35,944.7
TOTAL ESTIMATES	179,262.8	5,897.6	0.0	185,160.4	21,055.3	206,215.7

Annex D (continued)

Table 3. Operational budget expenditure estimates and analysis of increases and decreases by major object of expenditure

(In thousands of dollars at an exchange rate of $1 = AS 12.90)

	1 1992-1993 budget	2 Revaluation of 1992-1993 budget at 1993 rates	3 1994-1995 resource growth at 1993 rates	4 1994-1995 resource requirements at 1993 rates (=1+2+3)	5 Expected inflation 1994-1995	6 1994-1995 resource requirements (=4+5)
Expenditures						
100 Staff costs	43,868.3	2,113.1	(11,316.7)	34,664.7	4,111.3	38,776.0
200 Official travel/ meetings	1,798.9	44.3	(1,048.8)	794.4	52.2	846.6
300 Contractual services	36.2	0.7	(15.2)	21.7	1.1	22.8
400 General operating expenses	560.6	10.2	124.5	695.3	36.9	732.2
500 Supplies and materials	30.0	0.5	4.5	35.0	1.6	36.6
600 Acquisition of furniture and equipment	74.3	1.5	24.2	100.0	3.7	103.7
700 EDP non-staff costs	2,797.4	50.2	(13.8)	2,833.8	133.1	2,966.9
800 Technical cooperation	0.0	0.0	0.0	0.0	0.0	0.0
900 Other expenditures	69.2	1.5	297.6	368.3	23.5	391.8
TOTAL expenditures	49,234.9	2,222.0	(11,943.7)	39,513.2	4,363.4	43,876.6

Annex E

Table 1. Regular budget breakdown by programme and by major object of expenditure

1992-1993 and 1994-1995

(In thousands of dollars at an exchange rate of $1 = AS 12.90 and at 1993 rates)

	Staff costs		Official travel		Contractual services		General operating expenses		Supplies and materials		Furniture and equipment		EDP non-staff costs		Technical cooperation		Other		Total	
	92-93	94-95	92-93	94-95	92-93	94-95	92-93	94-95	92-93	94-95	92-93	94-95	92-93	94-95	92-93	94-95	92-93	94-95	92-93	94-95
Expenditures																				
100 POLICY-MAKING ORGANS, EXTERNAL RELATIONS, PUBLIC INFORMATION, LANGUAGE AND DOCUMENTATION SERVICES																				
110 Policy-making Organs	1,976.9	1,732.3	0.0	0.0	301.7	301.7	71.5	59.7	2.5	2.5	0.0	0.0	0.0	0.0	0.0	0.0	1,389.2	1,393.3	3,741.8	3,489.5
120 Office of the Deputy Director-General	925.9	958.9	49.5	49.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	494.0	524.2	0.0	0.0	0.0	0.0	1,469.4	1,532.6
130 External Relations	3,049.7	3,014.5	86.3	99.5	2.0	2.0	448.5	444.5	18.3	18.3	0.0	0.0	0.0	0.0	0.0	0.0	18.6	18.6	3,623.4	3,597.4
140 Languages and Documentation	18,785.8	18,648.2	37.5	37.5	224.1	224.1	0.0	600.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	953.2	953.2	20,000.6	20,463.0
150 Public Relations and Information	1,250.6	1,375.3	22.0	22.0	145.4	145.4	0.0	0.0	42.8	42.8	6.2	6.2	0.0	0.0	0.0	0.0	128.2	106.2	1,595.2	1,697.9
Subtotal	25,988.9	25,729.2	195.3	208.5	673.2	673.2	520.0	1,104.2	63.6	63.6	6.2	6.2	494.0	524.2	0.0	0.0	2,489.2	2,471.3	30,430.4	30,780.4
200 GENERAL MANAGEMENT																				
210 Executive Direction and Management	5,910.0	5,835.6	266.4	204.4	6.4	4.0	0.0	0.0	0.0	1.0	0.0	0.0	49.3	52.6	0.0	0.0	25.6	50.6	6,257.7	6,148.2
Subtotal	5,910.0	5,835.6	266.4	204.4	6.4	4.0	0.0	0.0	0.0	1.0	0.0	0.0	49.3	52.6	0.0	0.0	25.6	50.6	6,257.7	6,148.2
300 PROGRAMME AND PROJECT DEVELOPMENT																				
310 Office of the Deputy Director-General	2,449.9	2,633.8	79.8	75.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1,197.8	1,271.1	0.0	0.0	0.0	2.5	3,727.5	3,982.4
320 Special Measures and Activities	2,591.0	2,716.8	152.3	144.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	31.3	20.0	2,774.6	2,881.1
330 Area Programmes	11,300.3	13,440.0	389.0	532.2	0.0	12.0	0.0	141.2	0.0	18.0	0.0	40.0	0.0	0.0	0.0	0.0	62.3	62.3	11,751.6	14,245.7
340 Industrial Policy and Perspectives	11,432.8	9,045.0	346.4	200.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	556.4	306.4	12,335.6	9,551.9
350 Industrial Cooperation and Funds Mobilization	3,009.0	2,895.4	57.7	111.9	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	27.4	15.0	3,094.1	3,022.3
Subtotal	30,783.0	30,731.0	1,025.2	1,063.9	0.0	12.0	0.0	141.2	0.0	18.0	0.0	40.0	1,197.8	1,271.1	0.0	0.0	677.4	406.2	33,683.4	33,683.4
400 INDUSTRIAL PROMOTION, CONSULTATIONS AND TECHNOLOGY																				
410 Office of the Deputy Director-General	959.4	959.4	33.0	33.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	389.0	412.7	0.0	0.0	0.0	0.0	1,381.4	1,405.1
420 Industrial Investment	5,554.2	5,996.3	149.5	129.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	75.5	55.3	5,779.2	6,181.1
430 System of Consultations	5,074.0	4,794.6	352.7	352.7	0.0	0.0	12.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	133.3	83.3	5,572.8	5,230.6
440 *Industrial Technology Development and Promotion*	7,020.3	7,024.5	122.2	122.2	45.2	53.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	317.3	308.4	7,505.0	7,508.7
Subtotal	18,607.9	18,774.8	657.4	637.4	45.2	53.6	12.8	0.0	0.0	0.0	0.0	0.0	389.0	412.7	0.0	0.0	526.1	447.0	20,238.4	20,325.5
500 INDUSTRIAL OPERATIONS																				
510 Office of the Deputy Director-General	3,835.0	3,772.0	297.7	232.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1,358.5	1,441.3	0.0	0.0	13.8	11.8	5,505.0	5,457.6
520 Industrial Operations Technology	13,689.6	14,451.3	259.8	237.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	51.8	40.8	14,001.2	14,729.9
530 Industrial Institutions and Services	9,661.0	8,986.4	111.8	118.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	52.7	42.5	9,825.5	9,147.1
540 Industrial Operations Support	4,143.3	4,197.9	47.8	74.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	39.6	74.2	4,230.7	4,346.6
Subtotal	31,328.9	31,407.6	717.1	663.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1,358.5	1,441.3	0.0	0.0	157.9	169.3	33,562.4	33,681.2
600 COMMON PROGRAMMES																				
610 Regular Programme of Technical Cooperation	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	11,109.6	11,109.6	0.0	0.0	11,109.6	11,109.6
620 Industrial Development Decade for Africa	4,231.2	4,140.1	562.2	580.5	0.0	0.0	330.2	403.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	5,123.6	5,123.6
Subtotal	4,231.2	4,140.1	562.2	580.5	0.0	0.0	330.2	403.0	0.0	0.0	0.0	0.0	0.0	0.0	11,109.6	11,109.6	0.0	0.0	16,233.2	16,233.2
700 VIENNA INTERNATIONAL CENTRE (VIC) - RELATED SERVICES																				
710 Buildings Management Services a/	14,169.3	13,860.6	6.9	6.9	0.0	0.0	23,431.2	23,489.3	419.6	481.0	586.8	776.0	0.0	0.0	0.0	0.0	0.0	0.0	38,613.8	38,613.8
720 Other Services provided to UNIDO	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	5,268.1	5,268.1	5,268.1	5,268.1
Subtotal	14,169.3	13,860.6	6.9	6.9	0.0	0.0	23,431.2	23,489.3	419.6	481.0	586.8	776.0	0.0	0.0	0.0	0.0	5,268.1	5,268.1	43,881.9	43,881.9
800 ADMINISTRATION																				
810 Office of the Deputy Director-General	1,394.9	1,030.0	54.2	10.0	0.0	0.0	41.4	41.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	704.2	854.2	2,194.7	1,935.6
820 Personnel Services a/	6,128.3	5,988.6	0.0	85.0	0.0	5.0	0.0	29.0	0.0	6.5	0.0	2.5	0.0	0.0	0.0	0.0	0.0	0.0	6,128.3	6,116.6
830 Financial Services a/	5,546.4	5,269.6	0.0	25.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	5,546.4	5,294.6
840 General Services a/	6,446.0	6,575.9	0.0	30.0	0.0	0.0	5,865.0	4,836.1	646.1	646.1	390.8	500.0	0.0	0.0	0.0	0.0	2,203.7	2,082.1	15,551.6	14,670.2
850 Management Information Services a/	2,742.8	2,822.6	0.0	69.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	2,988.9	3,129.9	0.0	0.0	0.0	0.0	5,731.7	6,021.5
Subtotal	22,258.4	21,686.7	54.2	219.0	0.0	5.0	5,906.4	4,906.5	646.1	652.6	390.8	502.5	2,988.9	3,129.9	0.0	0.0	2,907.9	2,936.3	35,152.7	34,038.5
TOTAL expenditures	153,277.6	152,165.6	3,484.7	3,583.6	724.8	747.8	30,200.6	30,044.2	1,129.3	1,216.2	983.8	1,324.7	6,477.5	6,831.8	11,109.6	11,109.6	12,052.2	11,748.8	219,440.1	218,772.3

Table 1 (continued)

	Staff costs		Official travel		Contractual services		General operating expenses		Supplies and materials		Furniture and equipment		EDP non-staff costs		Technical cooperation		Other		Total	
	92-93	94-95	92-93	94-95	92-93	94-95	92-93	94-95	92-93	94-95	92-93	94-95	92-93	94-95	92-93	94-95	92-93	94-95	92-93	94-95
Income																				
100 POLICY-MAKING ORGANS, EXTERNAL RELATIONS, PUBLIC INFORMATION, LANGUAGE AND DOCUMENTATION SERVICES																				
140 Languages and Documentation a/	3,185.5	3,073.6	11.9	20.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	3.0	3.0	3,200.4	3,096.7
Subtotal	3,185.5	3,073.6	11.9	20.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	3.0	3.0	3,200.4	3,096.7
700 VIENNA INTERNATIONAL CENTRE (VIC) - RELATED SERVICES																				
710 Buildings Management Services a/	9,691.8	9,476.2	0.0	4.6	0.0	0.0	16,027.2	16,066.8	287.0	329.0	401.4	530.8	0.0	0.0	0.0	0.0	0.0	0.0	26,407.4	26,407.4
Subtotal	9,691.8	9,476.2	0.0	4.6	0.0	0.0	16,027.2	16,066.8	287.0	329.0	401.4	530.8	0.0	0.0	0.0	0.0	0.0	0.0	26,407.4	26,407.4
800 ADMINISTRATION																				
820 Personnel Services a/	937.4	614.2	0.0	0.0	0.0	0.0	0.0	11.6	0.0	2.6	0.0	1.0	0.0	0.0	0.0	0.0	0.0	0.0	937.4	629.4
830 Financial Services a/	368.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	368.2	0.0
840 General Services a/	1,121.4	1,230.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1,121.4	1,230.0
850 Management Information Services a/	292.4	275.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	385.6	385.6	0.0	0.0	0.0	0.0	678.0	661.4
Subtotal	2,719.4	2,120.0	0.0	0.0	0.0	0.0	0.0	11.6	0.0	2.6	0.0	1.0	385.6	385.6	0.0	0.0	0.0	0.0	3,105.0	2,520.8
900 MISCELLANEOUS INCOME	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1,586.9	1,587.0	1,586.9	1,587.0
Subtotal	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1,586.9	1,587.0	1,586.9	1,587.0
TOTAL income	15,596.7	14,669.8	11.9	24.7	0.0	0.0	16,027.2	16,078.4	287.0	331.6	401.4	531.8	385.6	385.6	0.0	0.0	1,589.9	1,590.0	34,279.7	33,611.9
GRAND TOTAL	137,680.9	137,495.8	3,472.8	3,558.9	724.8	747.8	14,173.4	13,965.8	842.3	884.6	582.4	792.9	6,091.9	6,446.2	11,109.6	11,109.6	10,482.3	10,158.8	185,160.4	185,160.4

a/ Includes cost-reimbursable expenditures previously netted off against expenditures.

Annex E (continued)

Table 2. Operational budget breakdown by programme and by major object of expenditure, 1992-1993 and 1994-1995

(In thousands of dollars at an exchange rate of $1 = AS 12.90 and at 1993 rates)

	Staff costs		Official travel		Contractual services		General operating expenses		Supplies and materials		Furniture and equipment		EDP non-staff costs		Other		Total	
	92-93	94-95	92-93	94-95	92-93	94-95	92-93	94-95	92-93	94-95	92-93	94-95	92-93	94-95	92-93	94-95	92-93	94-95
Expenditures																		
100 POLICY-MAKING ORGANS, EXTERNAL RELATIONS, PUBLIC INFORMATION, LANGUAGE AND DOCUMENTATION SERVICES																		
110 Policy-making Organs	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
120 Office of the Deputy Director-General	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	227.8	226.6	0.0	0.0	227.8	226.6
130 External Relations	0.0	0.0	30.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	30.2	0.0
140 Languages and Documentation	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
150 Public Relations and Information	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Subtotal	0.0	0.0	30.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	227.8	226.6	0.0	0.0	258.0	226.6
200 GENERAL MANAGEMENT																		
210 Executive Direction and Management	1,352.0	1,016.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	22.8	22.6	0.0	0.0	1,374.8	1,038.6
Subtotal	1,352.0	1,016.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	22.8	22.6	0.0	0.0	1,374.8	1,038.6
300 PROGRAMME AND PROJECT DEVELOPMENT																		
310 Office of the Deputy Director-General	439.6	103.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	552.5	549.9	0.0	0.0	992.1	653.5
320 Special Measures and Activities	1,478.7	808.2	35.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1,513.9	808.2
330 Area Programmes	7,669.5	4,386.4	959.4	587.7	15.7	20.0	498.7	667.2	30.5	35.0	75.8	100.0	0.0	0.0	0.0	200.0	9,249.6	5,996.3
340 Industrial Policy and Perspectives	780.6	421.6	21.9	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	802.5	421.6
350 Industrial Cooperation and Funds Mobilization	2,510.3	2,368.4	154.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	2,665.0	2,368.4
Subtotal	12,878.7	8,088.2	1,171.2	587.7	15.7	20.0	498.7	667.2	30.5	35.0	75.8	100.0	552.5	549.9	0.0	200.0	15,223.1	10,248.0
400 INDUSTRIAL PROMOTION, CONSULTATIONS AND TECHNOLOGY																		
410 Office of the Deputy Director-General	241.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	179.4	178.6	0.0	0.0	421.0	178.6
420 Industrial Investment	2,195.7	1,406.4	66.2	56.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	30.0	2,261.9	1,493.0
430 System of Consultations	592.9	415.7	0.0	0.0	0.0	0.0	0.0	12.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0	50.0	592.9	478.5
440 Industrial Technology Development and Promotion	1,986.8	1,306.6	92.0	102.6	21.2	1.7	56.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0	5.1	88.3	2,161.9	1,499.2
Subtotal	5,017.0	3,128.7	158.2	159.2	21.2	1.7	56.8	12.8	0.0	0.0	0.0	0.0	179.4	178.6	5.1	168.3	5,437.7	3,649.3
500 INDUSTRIAL OPERATIONS																		
510 Office of the Deputy Director-General	598.8	172.2	98.6	0.0	0.0	0.0	15.3	15.3	0.0	0.0	0.0	0.0	626.5	623.4	0.0	0.0	1,339.2	810.9
520 Industrial Operations Technology	4,497.9	3,254.8	196.2	45.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	4,694.1	3,300.3
530 Industrial Institutions and Services	2,271.2	1,599.2	92.0	2.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	2,363.2	1,601.2
540 Industrial Operations Support	8,420.6	7,600.2	84.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	65.6	0.0	8,570.8	7,600.2
Subtotal	15,788.5	12,626.4	471.4	47.5	0.0	0.0	15.3	15.3	0.0	0.0	0.0	0.0	626.5	623.4	65.6	0.0	16,967.3	13,312.6
600 COMMON PROGRAMMES	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
700 VIENNA INTERNATIONAL CENTRE (VIC) - RELATED SERVICES	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
800 ADMINISTRATION																		
810 Office of the Deputy Director-General	103.6	103.6	12.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	115.8	103.6
820 Personnel Services	1,480.2	1,235.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1,480.2	1,235.4
830 Financial Services	3,858.4	3,163.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	3,858.4	3,163.2
840 General Services	3,307.8	3,241.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	3,307.8	3,241.8
850 Management Information Services	2,195.2	2,061.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1,238.6	1,232.7	0.0	0.0	3,433.8	3,294.1
Subtotal	10,945.2	9,805.4	12.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1,238.6	1,232.7	0.0	0.0	12,196.0	11,038.1
TOTAL expenditures	45,981.4	34,664.7	1,843.2	794.4	36.9	21.7	570.8	695.3	30.5	35.0	75.8	100.0	2,847.6	2,833.8	70.7	368.3	51,456.9	39,513.2

Annex F

Staff resources by programme (regular and operational budgets)

(In work-years/work-months)

		1992-1993 budget		1994-1995 resource requirements	
		RB	OB	RB	OB
100	POLICY MAKING ORGANS, EXTERNAL RELATIONS, PUBLIC INFORMATION, LANGUAGES AND DOCUMENTATION SERVICES				
110	Policy-making Organs	29/1	0/0	26/2	0/0
120	Office of the Deputy Director-General	12/0	0/0	12/0	0/0
130	External Relations	40/2	0/0	38/6	0/0
140	Languages and Documentation	269/6	0/0	267/6	0/0
150	Public Relations and Information	18/8	0/0	20/8	0/0
Subtotal		369/5	0/0	364/10	0/0
200	GENERAL MANAGEMENT				
210	Executive Direction and Management	68/6	16/0	69/4	12/0
Subtotal		68/6	16/0	69/4	12/0
300	PROGRAMME AND PROJECT DEVELOPMENT				
310	Office of the Deputy Director-General	32/2	6/0	33/0	2/0
320	Special Measures and Activities	32/0	20/0	34/0	12/0
330	Area Programmes	144/0	98/0	174/10	71/4
340	Industrial Policy and Perspectives	138/0	8/0	114/0	4/0
350	Industrial Cooperation and Funds Mobilization	40/0	30/0	38/0	28/0
Subtotal		386/2	162/0	393/10	117/4
400	INDUSTRIAL PROMOTION, CONSULTATIONS AND TECHNOLOGY				
410	Office of the Deputy Director-General	12/2	2/0	12/1	0/0
420	Industrial Investment	64/7	30/0	70/6	22/0
430	System of Consultations	54/8	8/0	52/7	4/0
440	Technology Development and Promotion	80/4	22/0	80/5	16/0
Subtotal		211/9	62/0	215/7	42/0
500	INDUSTRIAL OPERATIONS				
510	Office of the Deputy Director-General	46/11	10/4	46/7	2/0
520	Industrial Operations Technology	164/4	70/0	173/6	54/0
530	Industrial Institutions and Services	114/6	32/0	106/4	24/0
540	Industrial Operations Support	53/10	142/7	52/3	130/0
Subtotal		379/7	254/11	378/8	210/0
600	COMMON PROGRAMMES				
610	Regular Programme of Technical Cooperation	0/0	0/0	0/0	0/0
620	Industrial Development Decade for Africa	16/8	0/0	11/9	0/0
Subtotal		16/8	0/0	11/9	0/0
700	VIENNA INTERNATIONAL CENTRE (VIC)-RELATED SERVICES				
710	Buildings Management Services	270/5	0/0	262/4	0/0
720	Other services provided to UNIDO	0/0	0/0	0/0	0/0
Subtotal		270/5	0/0	262/4	0/0
800	ADMINISTRATION				
810	Office of the Deputy Director-General	22/1	2/0	14/0	2/0
820	Personnel Services	74/0	26/0	74/8	22/0
830	Financial Services	82/0	72/0	79/6	58/9
840	General Services	110/0	50/0	115/5	48/0
850	Management Information Services	38/0	32/0	40/8	30/0
Subtotal		326/1	182/0	324/3	160/9
TOTAL		2028/7	676/11	2020/7	542/1

Annex G

Table 1

Established posts - regular budget changes

(In thousands of dollars at 1993 rates)

		Programme	Subprogramme	Grade	Posts	Cost
I.	New posts					
	Programme and Project Development	330	336	GS	2	120.4
	Subtotal - I					120.4
II.	Reclassifications					
	Policy-making Organs, External Relations, Public Information, Language and Documentation Services	110	111	G-7 to P-2	1	(34.6)
		120	-	P-4 to P-5	1	33.0
		130	131	P-3 to P-4	2	54.4
		140	141	P-2 to P-3	2	76.8
			143	P-3 to P-4	1	27.2
	Industrial Operations	510	511	P-5 to D-1	1	9.2
		540	542	P-4 to P-5	1	33.0
			542	P-3 to P-4	1	27.2
	Administration	820	823	P-4 to P-5	1	33.0
	Subtotal - II					259.2
III.	Abolitions					
	Policy-making Organs, External Relations, Public Information, Language and Documentation Services	140	141	D-1	1	(241.6)
	Programme and Project Development	330	333	P-2	1	(133.8)
		340	341	D-1	1	(241.6)
		340	342	P-5	1	(232.4)
		350	351	P-2	1	(133.8)
	Industrial Operations	510	512	G-7	1	(168.4)
		530	531	P-2	1	(133.8)
		540	541	P-2	1	(133.8)
		540	542	P-2	1	(133.8)
	Administration	810	-	P-2	1	(133.8)
		820	823	LT	1	(132.4)
		830	833	GS	4	(414.4)
		830	833	G-7	2	(336.8)
	Subtotal - III					(2,570.4)

Annex G (continued)

Table 1 (continued)

	Programme	Subprogramme	Grade	Posts	Cost
IV. Conversions from operational budget to regular budget					
Programme and Project Development	310	312	P-5	1	232.4
	330	332	P-5	1	232.4
		332	GS	1	103.6
		334	P-5	1	232.4
		335	GS	1	103.6
		337	P-5	1	232.4
Industrial Operations	510	512	GS	2	207.2
		513	GS	1	103.6
	520	525	GS	1	103.6
	530	531	P-3	1	172.2
Administration	830	833	GS	3	310.8
Subtotal - IV					2,034.2
V. Conversion of temporary assistance to established posts					
Vienna International Centre (VIC)-related Services	710	-	GS	2	207.2
TOTAL					50.6

Annex G (continued)

Table 2

Established posts - operational budget changes

(In thousands of dollars at 1993 rates)

	Programme	Subprogramme	Grade	Posts	Cost
I. Abolitions					
General Management	210	215	P-5	1	(232.4)
	210	216	GS	1	(103.6)
Programme and Project Development	310	311	GS	1	(103.6)
	320	321	P-4	1	(199.4)
	320	321	GS	1	(103.6)
	320	323	P-5	1	(232.4)
	320	324	GS	1	(103.6)
	330	331	P-4	1	(199.4)
	330	331	GS	2	(207.2)
	330	333	GS	1	(103.6)
	330	335	P-4	1	(199.4)
	330	336	P-3	1	(172.2)
	330	337	P-3	1	(172.2)
	330	337	GS	2	(207.2)
	340	342	P-3	1	(172.2)
	340	343	P-4	1	(199.4)
	350	351	GS	1	(103.6)
	350	354	P-5	1	(232.4)
Industrial Promotion, Consultations and Technology	420	421	P-4	1	(199.4)
	420	421	P-3	1	(172.2)
	420	423	P-4	1	(199.4)
	420	424	P-5	1	(232.4)
	420	424	GS	1	(103.6)
	430	431	GS	1	(103.6)
	430	434	GS	1	(103.6)
	440	441	GS	1	(103.6)
	440	442	GS	1	(103.6)
	440	443	GS	1	(103.6)
Industrial Operations	510	512	GS	1	(103.6)
	520	521	P-3	1	(172.2)
	520	522	GS	3	(310.8)
	520	523	P-3	1	(172.2)
	520	524	P-3	1	(172.2)
	530	532	GS	2	(207.2)
	530	533	P-3	1	(172.2)
	540	541	P-3	1	(172.2)
	540	541	P-2	1	(133.8)
	540	542	P-3	2	(344.4)
	540	542	GS	2	(207.2)
	540	543	GS	1	(103.6)
Administration	820	821	GS	1	(103.6)
	830	833	GS	2	(207.2)
	830	834	GS	1	(103.6)
	830	835	GS	1	(103.6)
	840	841	GS	1	(103.6)
	850	851	P-2	1	(133.8)
Subtotal - I					(7,499.4)

Annex G (continued)

Table 2 (continued)

	Programme	Subprogramme	Grade	Posts	Cost
II. **Established posts - conversion from operational budget to regular budget**					
Programme and Project Development	310	312	P-5	1	(232.4)
	330	332	P-5	1	(232.4)
		332	GS	1	(103.6)
		334	P-5	1	(232.4)
		335	GS	1	(103.6)
		337	P-5	1	(232.4)
Industrial Operations	510	512	GS	2	(207.2)
		513	GS	1	(103.6)
	520	525	GS	1	(103.6)
	530	531	P-3	1	(172.2)
Administration	830	833	GS	3	(310.8)
Subtotal - II					(2,034.2)
TOTAL					(9,533.6) ========

Annex H

List of meetings, 1994-1995

Estimated cost in dollars at 1993 rates

POLICY-MAKING ORGANS, EXTERNAL RELATIONS, PUBLIC INFORMATION, LANGUAGE AND DOCUMENTATION SERVICES

General Conference

		Estimated cost in dollars at 1993 rates
112	Sixth session of the General Conference (Vienna, 1995, 5 days)	542,500

Industrial Development Board

		Estimated cost in dollars at 1993 rates
113	Industrial Development Board (Vienna, 2 sessions in 1994, 1 in 1995, for a total of 15 working days)	1,327,000

Programme and Budget Committee

		Estimated cost in dollars at 1993 rates
114	Programme and Budget Committee (Vienna, 1 session in 1994, 1 in 1995, for a total of 15 working days)	506,200

PROGRAMME AND PROJECT DEVELOPMENT

		Estimated cost in dollars at 1993 rates
312	Expert group meeting on methodological aspects of programme and project design (Vienna, 1995, 15 participants, 3 days)	20,000
335	Regional meeting on the identification of specific sectoral requirements within the framework of the Regional Programme for the Industrial Recovery of Latin America and the Caribbean (Latin America, 1994, 15 participants, 4 days)	35,000
341	Two expert group meetings to assess economic and industrial prospects for major developed and developing countries (venue to be determined, 1 in 1994 and 1 in 1995, 8-10 participants, 3 days each)	28,000

INDUSTRIAL PROMOTION, CONSULTATIONS AND TECHNOLOGY

		Estimated cost in dollars at 1993 rates
431	One global preparatory meeting for the selection of issues to be presented at the regional consultation on the leather and leather products industry in Asia and the Pacific (Asia, 1994, 12 participants, 4 days)	40,000
431	One follow-up meeting on human resource development in value-added fish processing (Asia, 1995, 12 participants, 3 days)	25,000
432	Global preparatory meeting for selection of issues to be considered at the regional consultation on the building materials industry in Africa (Africa, 1994, 12-15 participants, 4 days)	40,000
432	Global preparatory meeting for selection of issues for the regional consultation on the iron and steel industry in Africa (Africa, 1994, 12-15 participants, 4 days)	40,000
432	Global preparatory meeting for selection of issues for the world consultation on environmental management/cleaner technologies in the metallurgical industry (Vienna, 1995, 12-15 participants, 4 days)	40,000
433	One global preparatory meeting for the selection of issues to be presented at the regional consultation on downstream petrochemical industries in Latin America and the Caribbean (venue to be determined, 1995, 15 participants, 3 days)	35,000
434	One regional follow-up meeting to the regional consultation on the industrial utilization of medicinal plants (Africa, 1995, 12 participants, 3 days)	25,000
434	One global preparatory meeting for the selection of issues to be presented at the consultation on consultancy engineering services (Asia, 1994, 12 participants, 4 days)	36,000

Annex H (continued)

		Estimated cost in dollars at 1993 rates
434	One workshop to raise interest of private sector enterprises on maintenance in Latin American countries with special emphasis on quality improvement for export (Costa Rica, 1994, 15 participants, 4 days)	25,000
435	Expert group meeting on new orientation for the System of Consultations and particularly how to promote wider dissemination of recommendations (venue to be determined, 1995, 10 participants, 3 days)	24,700
441	Sixth INTIB Advisory Group meeting (Vienna or the location of 1 INTIB focal point, 1995, 15 participants, 5 days)	34,000
441	Technology Monitoring Network meeting (Vienna, 1995, 8 participants, 5 days)	24,000
442	Meeting of selected heads of technology transfer agencies (possibly including the participation of members of LES) to assess the progress of TIES, identify new needs of developing countries in light of the changes in the international environment and decide on specific programmes for subsequent years (venue to be determined, 1994, 12 participants, 4 days)	34,000
443	The Consultative Group on Informatics Technology (Vienna, 1995, 10 participants, 3 days)	24,600
443	Meeting of a consultative group in biotechnology and genetic engineering in collaboration with other organizations (venue to be determined, 1994, 20 participants, 3 days)	10,000
443	Meeting with the business community to create awareness of the emerging need, particularly in developing countries, to manage biotechnology business as well as to promote commercialization of biotechnology (Vienna, 1994, 8-10 participants, 2 days)	14,000
443	Expert group meeting to elaborate a strategy for developing countries to promote international cooperation in the area of new materials (venue to be determined, 1994, 10 participants, 4 days)	24,000
443	Regional expert group meeting to promote international cooperation in marine industrial technologies (venue to be determined, 1994, 10 participants, 3 days)	22,000
443	Expert group meeting to formulate a strategy for developing countries to promote productivity-increasing manufacturing technologies (venue to be determined, 1995, 10 participants, 4 days)	26,000
443	Expert group meeting to promote advances in R and D in solar energy (venue to be determined, 1994, 12 participants, 4 days)	23,000
443	Expert group meeting on appraisal of appropriate technologies for the 1990s (Vienna, 1994, 10 participants, 3 days)	25,000
444	Meeting to review issues relating to technology policy and management against the background of the changing industrial, technological and macroeconomic landscape (Vienna, 1994, 8 participants, 3 days)	20,000
INDUSTRIAL OPERATIONS		
522	Expert group meeting on recycling of wastes (venue to be determined, 1994, 12-15 participants, 5 days)	42,900
524	Expert group meeting on remote sensing and image-processing technologies (venue to be determined, 1995, 15 participants, 5 days)	37,000
532	Second expert group meeting on industrial subcontracting and partnership exchanges (Vienna, 1995, 14 participants, 5 days)	28,000
541	Expert group meeting on policies, strategies and planning for industrial human resource development (Vienna, 1994, 10 participants, 5 days)	26,000
541	Expert group meeting on appropriate methodologies for and approaches to industrial human resource development (Vienna, 1995, 10 participants, 5 days)	26,000

Annex H (continued)

COMMON PROGRAMMES

		Estimated cost in dollars at 1993 rates
620	Expert group meeting on industrial performance improvements in milling units (venue to be determined, 1995, 10 participants, 5 days)	30,000
620	Expert group meeting on the valorization of by-products in the food industry in Africa (venue to be determined, 1995, 5 participants, 5 days)	16,500
620	Expert group meeting on the development of composite flours and production of enriched food (venue to be determined, 1995, 15 participants, 5 days)	40,000
620	Regional seminar to introduce reference manual on processing agricultural raw materials (venue to be determined, 1994, 10 participants, 5 days)	30,000
620	Expert group meeting on development of feeder industries for automotive plants (venue to be determined, 1995, 20 participants, 5 days)	60,000
620	Expert group meeting on increasing performance in the African fishing industry (venue to be determined, 1994, 20 participants, 5 days)	60,000
620	Expert group meeting on tropicalization/certification of telecommunications equipment (venue to be determined, 1994, 25 participants, 5 days)	80,000
620	Expert group meeting on development of rural telecommunications in Africa (venue to be determined, 1994, 20 participants, 5 days)	50,000
620	Expert group meeting on the industrial partners programme for Africa (New York, 1994, 6 participants from Africa, 5 days)	36,000
620	Participation of least developed countries in: (a) twelfth meeting of the Conference of African Ministers of Industry; and (b) preceding meeting of the Intergovernmental Committee of the Whole (venue to be determined, 1995, 15 participants, 3 and 5 days respectively)	48,000
620	High-level consultative meeting on the Second IDDA (Vienna, 1995, 3 participants, 5 days)	15,000
620	Two subregional meetings on formulation and implementation of subregional programmes (venue to be determined, 1 in 1994 and 1 in 1995, 10 participants each, 5 days each)	60,000
620	Four subregional investment promotion forums (West and Central Africa subregions, Eastern/Southern and Northern Africa subregions) (venue to be determined, 2 in 1994, 2 in 1995, 30 participants each, 5 days each)	118,000

Annex I

Assessed contributions to the regular budget, 1992-1993 and 1994-1995

	1992-1993				1994-1995			
Member State	Scale of assessment (percentage)	Dollar assessment	Schilling assessment	Total a/ dollar equivalent	Scale of c/ assessment (percentage)	Dollar assessment	Schilling assessment	Total b/ dollar equivalent
Afghanistan	0.01	1,972	205,812	17,926	0.01	2,475	234,096	20,622
Albania	0.01	1,972	205,812	17,926	0.01	2,475	234,096	20,622
Algeria	0.16	31,550	3,292,936	286,820	0.17	42,068	3,979,633	350,567
Angola	0.01	1,972	205,812	17,926	0.01	2,475	234,096	20,622
Argentina	0.56	110,426	11,525,451	1,003,872	0.61	150,950	14,279,859	1,257,916
Armenia	0.00	0	0	0	0.14	34,644	3,277,345	288,702
Australia	1.50	295,784	30,871,745	2,688,942	1.61	398,409	37,689,463	3,320,073
Austria	0.74	145,920	15,230,061	1,326,545	0.80	197,967	18,727,683	1,649,726
Bahamas	0.02	3,944	411,623	35,853	0.02	4,949	468,192	41,243
Bahrain	0.03	5,916	617,435	53,779	0.03	7,424	702,288	61,865
Bangladesh	0.01	1,972	205,812	17,926	0.01	2,475	234,096	20,622
Barbados	0.01	1,972	205,812	17,926	0.01	2,475	234,096	20,622
Belarus	0.31	61,129	6,380,161	555,715	0.51	126,204	11,938,898	1,051,700
Belgium	1.05	207,048	21,610,221	1,882,259	1.13	279,629	26,452,853	2,330,237
Belize	0.01	1,972	205,812	17,926	0.01	2,475	234,096	20,622
Benin	0.01	1,972	205,812	17,926	0.01	2,475	234,096	20,622
Bhutan	0.01	1,972	205,812	17,926	0.01	2,475	234,096	20,622
Bolivia	0.01	1,972	205,812	17,926	0.01	2,475	234,096	20,622
Bosnia and Herzegovina	0.00	0	0	0	0.04	9,898	936,384	82,486
Botswana	0.01	1,972	205,812	17,926	0.01	2,475	234,096	20,622
Brazil	1.58	311,559	32,518,238	2,832,352	1.69	418,206	39,562,231	3,485,045
Bulgaria	0.13	25,635	2,675,551	233,042	0.14	34,644	3,277,345	288,702
Burkino Faso	0.01	1,972	205,812	17,926	0.01	2,475	234,096	20,622
Burundi	0.01	1,972	205,812	17,926	0.01	2,475	234,096	20,622
Cameroon	0.01	1,972	205,812	17,926	0.01	2,475	234,096	20,622
Canada	3.09	609,314	63,595,794	5,539,221	0.00	0	0	0
Cape Verde	0.01	1,972	205,812	17,926	0.01	2,475	234,096	20,622
Central African Republic	0.01	1,972	205,812	17,926	0.01	2,475	234,096	20,622
Chad	0.01	1,972	205,812	17,926	0.01	2,475	234,096	20,622
Chile	0.08	15,775	1,646,493	143,410	0.09	22,271	2,106,864	185,594
China	0.76	149,864	15,641,684	1,362,397	0.82	202,916	19,195,875	1,690,969
Colombia	0.13	25,635	2,675,551	233,042	0.14	34,644	3,277,345	288,702
Comoros	0.01	1,972	205,812	17,926	0.01	2,475	234,096	20,622
Congo	0.01	1,972	205,812	17,926	0.01	2,475	234,096	20,622
Costa Rica	0.01	1,972	205,812	17,926	0.01	2,475	234,096	20,622
Côte d'Ivoire	0.02	3,944	411,623	35,853	0.02	4,949	468,192	41,243
Croatia	0.00	0	0	0	0.14	34,644	3,277,345	288,702
Cuba	0.09	17,747	1,852,305	161,337	0.10	24,746	2,340,960	206,216
Cyprus	0.02	3,944	411,623	35,853	0.02	4,949	468,192	41,243
Czechoslovakia	0.55	108,454	11,319,640	985,945	0.00	0	0	0
Czech Republic d/	0.00	0	0	0	0.00			
Democratic People's Republic of Korea	0.05	9,859	1,029,058	89,631	0.05	12,373	1,170,480	103,108
Denmark	0.64	126,201	13,171,944	1,147,282	0.69	170,747	16,152,627	1,422,888
Djibouti	0.01	1,972	205,812	17,926	0.01	2,475	234,096	20,622
Dominica	0.01	1,972	205,812	17,926	0.01	2,475	234,096	20,622
Dominican Republic	0.02	3,944	411,623	35,853	0.02	4,949	468,192	41,243
Ecuador	0.03	5,916	617,435	53,779	0.03	7,424	702,288	61,865

Annex I (continued)

Member State	1992–1993				1994–1995			
	Scale of assessment (percentage)	Dollar assessment	Schilling assessment	Total a/ dollar equivalent	Scale of c/ assessment (percentage)	Dollar assessment	Schilling assessment	Total b/ dollar equivalent
Egypt	0.07	13,803	1,440,681	125,484	0.08	19,797	1,872,768	164,973
El Salvador	0.01	1,972	205,812	17,926	0.01	2,475	234,096	20,622
Equatorial Guinea	0.01	1,972	205,812	17,926	0.01	2,475	234,096	20,622
Ethiopia	0.01	1,972	205,812	17,926	0.01	2,475	234,096	20,622
Fiji	0.01	1,972	205,812	17,926	0.01	2,475	234,096	20,622
Finland	0.56	110,426	11,525,451	1,003,872	0.61	150,950	14,279,859	1,257,916
France	5.96	1,175,246	122,663,732	10,684,063	6.39	1,581,263	149,587,371	13,177,183
Gabon	0.02	3,944	411,623	35,853	0.02	4,949	468,192	41,243
Gambia	0.01	1,972	205,812	17,926	0.01	2,475	234,096	20,622
Georgia	0.00	0	0	0	0.22	54,441	5,150,113	453,675
Germany	8.87	1,749,066	182,554,917	15,900,610	9.50	2,350,861	222,391,240	19,590,492
Ghana	0.01	1,972	205,812	17,926	0.01	2,475	234,096	20,622
Greece	0.35	69,016	7,203,407	627,420	0.37	91,560	8,661,554	762,998
Grenada	0.01	1,972	205,812	17,926	0.01	2,475	234,096	20,622
Guatemala	0.02	3,944	411,623	35,853	0.02	4,949	468,192	41,243
Guinea	0.01	1,972	205,812	17,926	0.01	2,475	234,096	20,622
Guinea-Bissau	0.01	1,972	205,812	17,926	0.01	2,475	234,096	20,622
Guyana	0.01	1,972	205,812	17,926	0.01	2,475	234,096	20,622
Haiti	0.01	1,972	205,812	17,926	0.01	2,475	234,096	20,622
Honduras	0.01	1,972	205,812	17,926	0.01	2,475	234,096	20,622
Hungary	0.18	35,494	3,704,609	322,673	0.19	47,017	4,447,825	391,810
India	0.36	70,988	7,409,219	645,346	0.38	94,034	8,895,650	783,620
Indonesia	0.16	31,550	3,292,986	286,820	0.17	42,068	3,979,633	350,567
Iran (Islamic Republic of)	0.76	149,864	15,641,684	1,362,397	0.82	202,916	19,195,875	1,690,969
Iraq	0.13	25,635	2,675,551	233,042	0.14	34,644	3,277,345	288,702
Ireland	0.18	35,494	3,704,609	322,673	0.19	47,017	4,447,825	391,810
Israel	0.23	45,353	4,733,668	412,304	0.25	61,865	5,852,401	515,539
Italy	4.26	840,025	87,675,755	7,636,595	4.57	1,130,888	106,981,891	9,424,057
Jamaica	0.01	1,972	205,812	17,926	0.01	2,475	234,096	20,622
Japan	12.36	2,437,256	254,383,176	22,156,882	13.25	3,278,832	310,177,256	27,323,580
Jordan	0.01	1,972	205,812	17,926	0.01	2,475	234,096	20,622
Kenya	0.01	1,972	205,812	17,926	0.01	2,475	234,096	20,622
Kuwait	0.25	49,297	5,145,291	448,157	0.27	66,814	6,320,593	556,782
Lao People's Democratic Republic	0.01	1,972	205,812	17,926	0.01	2,475	234,096	20,622
Lebanon	0.01	1,972	205,812	17,926	0.01	2,475	234,096	20,622
Lesotho	0.01	1,972	205,812	17,926	0.01	2,475	234,096	20,622
Liberia	0.01	1,972	205,812	17,926	0.01	2,475	234,096	20,622
Libyan Arab Jamahiriya	0.24	47,325	4,939,479	430,231	0.26	64,339	6,086,497	536,161
Lithuania	0.15	29,578	3,087,174	268,894	0.16	39,593	3,745,537	329,945
Luxembourg	0.06	11,831	1,234,870	107,558	0.06	14,848	1,404,576	123,729
Madagascar	0.01	1,972	205,812	17,926	0.01	2,475	234,096	20,622
Malawi	0.01	1,972	205,812	17,926	0.01	2,475	234,096	20,622
Malaysia	0.12	23,663	2,469,740	215,115	0.13	32,170	3,043,249	268,080
Maldives	0.01	1,972	205,812	17,926	0.01	2,475	234,096	20,622
Mali	0.01	1,972	205,812	17,926	0.01	2,475	234,096	20,622
Malta	0.01	1,972	205,812	17,926	0.01	2,475	234,096	20,622
Mauritania	0.01	1,972	205,812	17,926	0.01	2,475	234,096	20,622
Mauritius	0.01	1,972	205,812	17,926	0.01	2,475	234,096	20,622
Mexico	0.87	171,554	17,905,612	1,559,586	0.94	232,611	22,005,028	1,938,428

Annex I (continued)

Member State	1992-1993 Scale of assessment (percentage)	1992-1993 Dollar assessment	1992-1993 Schilling assessment	1992-1993 Total a/ dollar equivalent	1994-1995 Scale of c/ assessment (percentage)	1994-1995 Dollar assessment	1994-1995 Schilling assessment	1994-1995 Total b/ dollar equivalent
Mongolia	0.01	1,972	205,812	17,926	0.01	2,475	234,096	20,622
Morocco	0.03	5,916	617,435	53,779	0.03	7,424	702,288	61,865
Mozambique	0.01	1,972	205,812	17,926	0.01	2,475	234,096	20,622
Myanmar	0.01	1,972	205,812	17,926	0.01	2,475	234,096	20,622
Namibia	0.01	1,972	205,812	17,926	0.01	2,475	234,096	20,622
Nepal	0.01	1,972	205,812	17,926	0.01	2,475	234,096	20,622
Netherlands	1.49	293,812	30,665,933	2,671,016	1.60	395,934	37,455,367	3,299,451
New Zealand	0.24	47,325	4,939,479	430,231	0.26	64,339	6,086,497	536,161
Nicaragua	0.01	1,972	205,812	17,926	0.01	2,475	234,096	20,622
Niger	0.01	1,972	205,812	17,926	0.01	2,475	234,096	20,622
Nigeria	0.20	39,438	4,116,233	358,526	0.21	51,966	4,916,017	433,053
Norway	0.55	108,454	11,319,640	985,945	0.59	146,001	13,811,666	1,216,673
Oman	0.03	5,916	617,435	53,779	0.03	7,424	702,288	61,865
Pakistan	0.06	11,831	1,234,870	107,558	0.06	14,848	1,404,576	123,729
Panama	0.02	3,944	411,623	35,853	0.02	4,949	468,192	41,243
Papua New Guinea	0.01	1,972	205,812	17,926	0.01	2,475	234,096	20,622
Paraguay	0.02	3,944	411,623	35,853	0.02	4,949	468,192	41,243
Peru	0.06	11,831	1,234,870	107,558	0.06	14,848	1,404,576	123,729
Philippines	0.07	13,803	1,440,681	125,484	0.08	19,797	1,872,768	164,973
Poland	0.47	92,679	9,673,147	842,535	0.50	123,730	11,704,802	1,031,079
Portugal	0.20	39,438	4,116,233	358,526	0.21	51,966	4,916,017	433,053
Qatar	0.05	9,859	1,029,058	89,631	0.05	12,373	1,170,480	103,108
Republic of Korea	0.68	134,089	13,995,191	1,218,987	0.73	180,645	17,089,011	1,505,375
Romania	0.17	33,522	3,498,798	304,747	0.18	44,543	4,213,729	371,188
Russian Federation	9.19	1,812,167	189,140,889	16,474,251	7.14	1,766,857	167,144,574	14,723,801
Rwanda	0.01	1,972	205,812	17,926	0.01	2,475	234,096	20,622
Saint Kitts and Nevis	0.01	1,972	205,812	17,926	0.01	2,475	234,096	20,622
Saint Lucia	0.01	1,972	205,812	17,926	0.01	2,475	234,096	20,622
Saint Vincent and the Grenadines	0.01	1,972	205,812	17,926	0.01	2,475	234,096	20,622
Sao Tome and Principe	0.01	1,972	205,812	17,926	0.01	2,475	234,096	20,622
Saudi Arabia	0.95	187,330	19,552,105	1,702,997	1.02	252,408	23,877,796	2,103,400
Senegal	0.01	1,972	205,812	17,926	0.01	2,475	234,096	20,622
Seychelles	0.01	1,972	205,812	17,926	0.01	2,475	234,096	20,622
Sierra Leone	0.01	1,972	205,812	17,926	0.01	2,475	234,096	20,622
Slovak Republic d/	0.00	0	0	0	0.00	0	0	0
Slovenia	0.00	0	0	0	0.10	24,746	2,340,960	206,216
Somalia	0.01	1,972	205,812	17,926	0.01	2,475	234,096	20,622
Spain	1.96	386,490	40,339,080	3,513,551	2.11	522,138	49,394,265	4,351,151
Sri Lanka	0.01	1,972	205,812	17,926	0.01	2,475	234,096	20,622
Sudan	0.01	1,972	205,812	17,926	0.01	2,475	234,096	20,622
Suriname	0.01	1,972	205,812	17,926	0.01	2,475	234,096	20,622
Swaziland	0.01	1,972	205,812	17,926	0.01	2,475	234,096	20,622
Sweden	1.10	216,908	22,639,279	1,971,891	1.18	292,002	27,623,333	2,433,345
Switzerland	1.15	226,767	23,668,338	2,061,522	1.23	304,375	28,793,813	2,536,453
Syrian Arab Republic	0.04	7,888	823,247	71,705	0.04	9,898	936,384	82,486
Thailand	0.11	21,691	2,263,928	197,189	0.12	29,695	2,809,153	247,459
Togo	0.01	1,972	205,812	17,926	0.01	2,475	234,096	20,622
Tonga	0.01	1,972	205,812	17,926	0.01	2,475	234,096	20,622
Trinidad and Tobago	0.05	9,859	1,029,058	89,631	0.05	12,373	1,170,480	103,108

Annex I (continued)

Member State	1992-1993 Scale of assessment (percentage)	1992-1993 Dollar assessment	1992-1993 Schilling assessment	1992-1993 Total a/ dollar equivalent	1994-1995 Scale of c/ assessment (percentage)	1994-1995 Dollar assessment	1994-1995 Schilling assessment	1994-1995 Total b/ dollar equivalent
Tunisia	0.03	5,916	617,435	53,779	0.03	7,424	702,288	61,865
Turkey	0.27	53,241	5,556,914	484,010	0.29	71,763	6,788,785	598,026
Uganda	0.01	1,972	205,812	17,926	0.01	2,475	234,096	20,622
Ukraine	1.17	230,711	24,079,961	2,097,375	1.99	492,443	46,585,112	4,103,692
United Arab Emirates	0.21	41,410	4,322,044	376,452	0.22	54,441	5,150,113	453,675
United Kingdom	4.98	982,001	102,494,192	8,927,287	5.34	1,321,431	125,007,286	11,011,918
United Republic of Tanzania	0.01	1,972	205,812	17,926	0.01	2,475	234,096	20,622
United States of America	25.00	4,929,725	514,529,078	44,815,700	25.00	6,186,475	585,240,105	51,553,925
Uruguay	0.04	7,888	823,247	71,705	0.04	9,896	936,384	82,486
Vanuatu	0.01	1,972	205,812	17,926	0.01	2,475	234,096	20,622
Venezuela	0.49	96,623	10,084,770	878,388	0.52	128,679	12,172,994	1,072,322
Viet Nam	0.01	1,972	205,812	17,926	0.01	2,475	234,096	20,622
Yemen	0.01	1,972	205,812	17,926	0.01	2,475	234,096	20,622
Yugoslavia	0.42	82,819	8,644,089	752,904	0.17	42,068	3,979,633	350,567
Zaire	0.01	1,972	205,812	17,926	0.01	2,475	234,096	20,622
Zambia	0.01	1,972	205,812	17,926	0.01	2,475	234,096	20,622
Zimbabwe	0.01	1,972	205,812	17,926	0.01	2,475	234,096	20,622
Total	100.00	19,718,900	2,058,116,310	179,262,800	100.00	24,745,900	2,340,960,420	206,215,700

Notes: a/ *Rate of exchange AS12.90 = US$1.00 - US$ 11% AS 89%*
b/ Rate of exchange AS12.90 = US$1.00 - US$ 12% AS 88%
c/ Based on General Assembly resolution 46/221 as amended by the General Assembly in decision 47/456.
d/ The Czech Republic and the Slovak Republic became separate Member States of UNIDO in January 1993; the scale of assessments will be adjusted upon approval of assessment rates by the General Assembly later this year.

Annex J

Objects of expenditure based on ACC classification

Category code	Object code	Category	Object
000		Salaries (net) 1/	
	010		Salaries - established posts
	020		Temporary assistance for meetings
	030		General temporary assistance
	040		Consultants' fees and travel
	050		Overtime and night service differential
	060		Ad hoc expert groups
	070		Temporary posts
	080		Personnel service contracts
	090		Other personnel-related costs
100		Common staff costs	
	110		Staff allowances
	120		Social security, including insurance
	130		Education grant and travel
	140		Home leave
	150		Appointment
	160		Separation
	170		Other payments
	180		Transfer
	190		Other
200		Travel on official business	
	210		Representatives and committee members/ participants in meetings
	220		Staff travel - meetings 2/
	240, 250		Other official travel
	260		Travel of advisers
	270		Travel of staff - IDDA

1/ In the case of those organizations that use a gross-salary basis of budgeting, "net" means "gross" minus "staff assessment".

2/ Comprises travel to official meetings of the Organization.

Annex J (continued)

Category code	Object code	Category	Object
300		Contractual services	
	330		External translation contracts
	340		External printing and binding (administered by the Publications Board)
	350		External printing and binding (exempt from Publications Board review)
	360		Public information services
	390		Other specialized services
400		General operating expenses	
	410		Rental and maintenance of premises, including maintenance supplies
	420		Utilities
	430, 460		Rental and maintenance of furniture, equipment and vehicles, including maintenance supplies
	440		Communications
	450		Hospitality
	460		Conference servicing costs
	490		Miscellaneous
500		Supplies and materials 3/	
	510		Stationery and office supplies
	520		Internal reproduction supplies
	530		Library books and supplies
	540		Public information supplies
	550		Purchase food - catering only
	560		Purchase beverages - catering only
	590		Other supplies

3/ Including identifiable freight, insurance and related costs.

Annex J (continued)

Category code	Object code	Category	Object
600		Acquisition of furniture and equipment 4/	
	610		Office furniture and equipment
	630		Conference-servicing and reproduction equipment
	640		Transportation equipment
	650		Communications equipment
	660		Public information equipment
	690		Other equipment
700		Electronic data-processing non-staff costs 5/	
800		Technical cooperation	
	880		Technical cooperation - IDDA
	890		Technical cooperation (regular programme)
900		Other expenditures	
	920		Contributions to joint administrative activities within the United Nations family
	930, 940		Contributions to joint common activities within the United Nations family
	960		Joint activities provided by United Nations bodies
	980		Other
	990		Common fund for financing major repairs and replacements 6/

4/ Including identifiable freight, insurance and related costs.

5/ Previously under category code A00.

6/ Previously under category code 700.